

A. K. CAPITAL SERVICES LIMITED

CIN: L74899MH1993PLC274881

POLICY ON DETERMINING MATERIALITY OF EVENTS/INFORMATION

Last reviewed/amended by Board of Directors: February 8, 2025

Index

Sr. no.	Particulars	Page no.
1	Introduction	3
2	Objective of this Policy	3
3	Definitions	3
4	Guidelines for determining materiality of Events/Information	4
5	Material event or information required to be disclosed	5
6	Disclosure requirements	5
7	Implementation and Monitoring	6
8	Scope and Limitation	6
9	Amendments in this Policy	6

A. K. CAPITAL SERVICES LIMITED**POLICY ON DETERMINING MATERIALITY OF EVENTS/INFORMATION****1. INTRODUCTION:**

This policy is prepared in accordance with the requirements of the provisions of Regulation 30(4) (ii) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**Listing Regulations**"). The Regulations inter-alia requires companies whose securities are listed on the Stock Exchanges to make disclosures of certain events or information which, in the opinion of Board is material in a timely manner.

In light of the foregoing requirements, the Board of the Company at their meeting held on May 21, 2016 had adopted the policy on Determining of Materiality Events/Information.

2. OBJECTIVE OF THIS POLICY:

- a. To ensure that the Company complies with the disclosure requirements pursuant to applicable Law.
- b. To ensure that events/information disclosed by the Company in a timely manner.
- c. To ensure transparency and timely disclosure of relevant events/information to the shareholders of the Company which is important to protect the interests of the shareholders of the Company.
- d. To help Key Managerial Personnel ("**KMP**") / Directors in determining Materiality of events/information.
- e. To develop systematic approach in disclosing events/information relating to the Company.

3. DEFINITIONS:

- a. "**Act**" means Companies Act, 2013 and the rules framed there under.
- b. "**Board**" means Board of Directors of the Company.
- c. "**Key Managerial Personnel**" means key managerial personnel as defined under Section 2(51) of the Act.
- d. "**Material Event or Information**" shall mean such event/information as listed under Part A or Part B of Schedule III to the Listing Regulations.

- e. **“Subsidiary”** shall mean a Subsidiary as defined under Section 2(87) of the Act and the Rules made thereunder.
- f. **“Compliance Officer”** shall mean the Company Secretary of the Company.
- g. **“Listing Regulations”** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

The terms and expressions used but not defined above shall have the same meaning as assigned to those terms under the Listing Regulations, the Act, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

4. **GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION:**

The Company shall consider the following criteria and principles when determining the materiality of events/information mentioned in Regulation 30(4) of the Listing Regulations:

- a. **Quantitative criteria** would mean the omission of an event or information:
 - i. which is likely to result in discontinuity or alteration of event or information already available publicly;
 - or**
 - ii. is likely to result in significant market reaction if the said omission came to light at a later date;
- b. **Qualitative criteria** would mean the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - i. 2% of turnover, as per the last audited consolidated financial statements of the Company;
 - ii. 2% of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - iii. 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.
- c. any event/information may be treated as being material, if in the opinion of the Board of Directors of the Company, the event / information is considered material.

5. MATERIAL EVENT OR INFORMATION REQUIRED TO BE DISCLOSED:

- a. **Deemed Material Event or Information:** Events / information listed in Para A of Part A of Schedule III of the Listing Regulations shall be mandatorily disclosed by the Company to the stock exchanges without applying any test of materiality.
- b. **Determined Material Event or Information:** Events / information listed in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed by the Company to the stock exchanges subject to application of the criteria as specified in Point No. 4 above.
- c. **Other Material Event or Information:** Events / information not addressed in Point 5.a or 5.b above that is likely to impact the business of the Company, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and any other information which is exclusively known to the Company, and knowledge of which may be necessary to enable the holders of securities of the Company to appraise their position and to avoid the establishment of a false market in such securities, shall be disclosed if disclosure of such events/information is expected to trigger a market reaction.
- d. The Company shall also disclose all events or information with respect to its subsidiaries which are material for the company.
- e. Any other event or information, as specified by Listing Regulations from time to time, shall also be disclosed to the stock exchanges.
- f. If, in the opinion of the Board, any event or information is considered as material, the same shall be disclosed to stock exchanges.

6. DISCLOSURE REQUIREMENTS:

- a. The disclosures of events / information listed in Para 5 shall be made within such timelines as specified in the Listing Regulations, read with the applicable circulars issued by SEBI from time to time.
- b. The Company shall disclose all events/information meeting the materiality criteria/threshold as per this Policy as soon as reasonably possible or in any case not later than the following:
 - i. thirty minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken;
 - ii. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company; and
 - iii. twenty-four hours from the occurrence of the event or information, in case the event or

information is not emanating from within the Company.

- c. The company shall disclose the policy on determining of materiality of events/information on its website, and such disclosure shall be hosted on the website of the Company for minimum period of five years and thereafter archived as per the Archival Policy of the Company.

7. IMPLEMENTATION AND MONITORING:

- a. The Managing Director, Chief Financial Officer, Whole-time Director and the Company Secretary ("Authorized KMP's") of the Company are severally authorized by the Board to decide whether any event or information is material, verifying or denying rumors for the purposes of making disclosures to the stock exchanges.
- b. The Authorized KMP's shall in case of any doubt, call for a meeting of the Board of Directors of the Company to decide on the materiality of an event/information.

8. SCOPE AND LIMITATION:

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations / Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

9. AMENDMENTS IN THE POLICY:

The Board of Directors of the Company may subject to applicable laws is entitled to amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board of Directors in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

In the event of any conflict between the provisions of this Policy and of the Act or Regulations or any other statutory enactments, rules, the provisions of such Act or Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.
