



ACE INTEGRATED SOLUTIONS LIMITED

**POLICY FOR DETERMINATION OF
MATERIALITY OF EVENTS**

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS

PREFACE

As per the requirement of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Regulations”),

In this context, the Board of Directors of **Ace Integrated Solutions Limited** in their meeting held on 3rd day of April, 2017, framed a Policy with the objective of determining materiality of events events/information.

PURPOSE

The main objective of this policy is to determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation on website the events/information which are considered material and which needs to be disclosed to the Stock Exchange.

DEFINITIONS

- (a) “**Audit Committee or Committee**” means Audit Committee constituted by the Board of Director of the Company from time to time under provisions of SEBI LODR, 2015 read with the Companies Act, 2013.
- (b) “**Board**” or “**Board of Directors**” means the collective body of the Directors of the Company as constituted from time to time;
- (c) “**Company**” shall mean Ace Integrated Solutions Limited;
- (d) “**Key Managerial Personnel**” mean the personnel as defined under Section 2(51) of the Companies Act, 2013, as amended from time to time;
- (e) “**Material Event/s**” means those event/s specified in:

- Para A of Part A of Schedule III of the Regulations, being deemed material events, which the Company shall compulsorily disclose; and
 - Events specified in Para B of Part A of Schedule III, based on guidelines for Materiality as specified below;
- (f) “**Ordinary course of business**” or “**normal course of business**” refers to all activities that are necessary, normal and incidental to the business of the Company and if the objects of the Company permit such activity shall be deemed to be in the ordinary of course of business. These may also be common practices, historical practices and customs of commercial transactions with a pattern of frequency;
- (g) “**Policy**” means this Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges;
- (h) “**Subsidiaries**” means a subsidiary as defined under sub-section (87) of Section 2 the Companies Act, 2013, as amended from time to time.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION

Following is the criteria for determination of materiality of events/ information

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- ii. the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
- iii. In case where the criteria specified in point (i) and (ii) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

DISCLOSURE

The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information:

Provided that in case the disclosure is made after twenty-four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay:

Provided further that disclosure with respect to events specified in sub-para4 of Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be made within thirty minutes of the conclusion of the board meeting.

Matters specified in Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.
Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,-
 - (i) acquiring control, whether directly or indirectly; or,
 - (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - (a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - (b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - (a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - (b) any cancellation of dividend with reasons thereof;
 - (c) the decision on buyback of securities;
 - (d) the decision with respect to fund raising proposed to be undertaken
 - (e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - (f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - (g) short particulars of any other alterations of capital, including calls;
 - (h) financial results;
 - (i) decision on voluntary delisting by the listed entity from stock exchange(s).
5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.
10. One time settlement with a bank.
11. Reference to BIFR and winding-up petition filed by any party / creditors.
12. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
 2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
 3. Capacity addition or product launch.
 4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
 5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
 6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
 7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
 8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
 9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
 10. Options to purchase securities including any ESOP/ESPS Scheme.
 11. Giving of guarantees or indemnity or becoming a surety for any third party.
 12. Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.
- C. Any other information/event viz. major development that is likely to affect business, 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 brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
- D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.

AUTHORIZATION TO KEY MANAGERIAL PERSONNEL

Mr. Chandra Shekhar Verma, Managing Director of the Company shall have the authority to determine materiality of any event or information and ensure disclosures of the same are made to stock exchange(s), subject to the provisions of this Policy.

AMENDMENT

This Policy is framed based on the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any subsequent amendments to the Regulations which make any of the provisions in the Policy inconsistent, the provisions of the Regulations shall prevail. The Policy shall be reviewed by the Audit Committee and on recommendations shall be modified by the Board so as to align the same with the amendments or to incorporate the changes as may be felt appropriate by the Audit Committee.

DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.
