

# Asia Capital Limited

CIN: L65993MH1983PLC342502

## Registered Office

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## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

### 1. LEGAL FRAMEWORK

The following policy for Determination of Materiality of Events or Information (“the Policy”) is aimed at providing guidelines to the management of **ASIA CAPITAL LIMITED**, to determine the materiality of events or information, which could affect investment decisions and ensure timely and adequate dissemination of information to the Stock Exchange(s) (as hereinafter defined).

The Policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Regulations”), with respect to disclosure of events and information.

Pursuant to SEBI Regulations, issued on September 2, 2015, the Board of Directors approved the “Policy for Determination of Materiality of Events or Information”.

### 2. OBJECTIVES

- To ensure that the Company complies with the disclosure obligations to which it is subject as a listed company as laid down by the SEBI Regulations;
- To ensure that the information disclosed by the Company is timely and transparent;
- To ensure that corporate documents and public statements are accurate and do not;
- Contain any misrepresentation;
- To protect the confidentiality of material / price sensitive information within the context of the Company’s disclosure obligations;
- To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company; and
- To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.

### 3. DEFINITION

- a. “**Act**” means the Companies Act, 2013 and the rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof;
- b. “**Board of Directors**” means the Board of Directors of the Company;

- c. **“Company”** means **ASIA CAPITAL LIMITED**;
- d. **“Key Managerial Personnel”** means key managerial personnel as defined under section 2(51) of the Companies Act, 2013;
- e. **“SEBI Regulations”** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- f. **“Policy”** means this policy, as amended from time to time;
- g. **“Schedule”** means Schedule III of the SEBI Regulations;
- h. **“Stock Exchange(s)”** means the stock exchange on which the Securities of the Company are listed.

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

#### **4. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENT**

The Company shall disclose all such events which are specified in Para-A of Part-A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as applicable from time to time) without any application of the guidelines for materiality as specified in sub-regulation (2) of regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These events are also listed in Annexure A to this Policy.

#### **5. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY**

The Company shall disclose all such material events, specified in Para B of Part-A of Schedule-III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 subject to application of guidelines for materiality. These events are also listed in Annexure B to this Policy.

#### **6. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION**

Materiality will be determined on a case-to-case basis depending on the facts and the circumstances pertaining to the event or information.

Quantitative criteria would be calculated based on audited financial statements of the last audited financial year, and would mean event/ information where the value involved or the impact:

- (a) exceeds ten per cent of the consolidated gross turnover, or revenue or total income;  
or
- (b) exceeds ten per cent of the consolidated net worth,

whichever is higher.

Qualitative criteria would mean an event/ information:

- (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- (b) 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; and
- (c) any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event/information is considered material.

The quantitative criteria shall be read in conjunction with the qualitative criteria for determining materiality and arriving at the overall decision on the event to be reported.

## **7. DISCLOSURE PROCESS**

- a. Any event purported to be reportable under Regulation 30 of the Listing Regulations shall be informed to the Managing Director / Chief Financial Officer / Company Secretary of the Company on an immediate basis with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Managing Director / Chief Financial Officer / Company Secretary;
- b. The Chief Financial Officer / Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Listing Regulations and this Policy;
- c. After evaluation, any one of the above-mentioned persons shall submit disclosure to the stock exchanges;
- d. The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.;
- e. Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure;
- f. Regular updates, where relevant, shall be made with relevant explanations; and
- g. All disclosures shall be available on the website of the Company for a period of 5 years.

## **8. ANY OTHER INFORMATION/EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY**

The Company shall disclose major developments that are 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 Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

## **9. GUIDELINES ON OCCURRENCE OF AN EVENT/INFORMATION**

The occurrence of material event/information would be either by the Company's own accord or not in the hands of the Company. It can be categorized as under:

- a. depends upon the stage of discussion, negotiation or approval; and
- b. in case of natural calamities, disruptions etc., it would depend upon the timing when the Company became aware of the event/information.

In respect of the events under 9(a), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g., further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e., Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g., decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder's approval.

In respect of the events under 9(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

## **10. AUTHORITY TO KEY MANAGERIAL PERSONNEL**

The Board of Directors of the Company have severally authorised the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company (the "Authorised Persons") to deal with the dissemination of information and disclosure of any material event or information covered under this Policy to the Stock Exchange, where the securities of the Company are listed, as well as hosting the said event or information on the website of the Company simultaneously.

## **11. SCOPE & LIMITATIONS**

The Company shall disclose all events or information with respect to subsidiaries which are material for the listed entity.

In the event of any conflict between the provisions of this Policy and the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other statutory enactments or rules, the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/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. All other provisions of the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other statutory enactments or rules, the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015/Act or statutory enactments, rules; which are not dealt with/ mentioned under this Policy shall also be applicable.

## **12. DISSEMINATION OF POLICY:**

This Policy shall be hosted on the website of the Company i.e [www.asiacapital.in](http://www.asiacapital.in). Further, the Company shall disclose on its website all such events or information which has been disclosed to the stock exchange(s) under the SEBI Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the archival policy of the Company.

## **13. AMENDMENTS**

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

## ANNEXURE A

### EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE GUIDELINES FOR MATERIALITY

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 Company or any other restructuring.

Explanation. - '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 Company 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 and such change exceeds two percent 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 credit rating(s).
4. Outcome of Meetings of the Board of Directors: The Company 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) re-issue 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; and
  - (i) decision on voluntary de-listing by the Company 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 Company), 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 Company 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 Company.
13. Proceedings of Annual and Extra-ordinary General Meetings of the Company.
14. Amendments to Memorandum and Articles of Association of Company, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

**ANNEXURE B**  
**ILLUSTRATIVE LIST OF EVENTS WHICH SHALL BE DISCLOSED UPON**  
**APPLICATION OF THE GUIDELINES FOR MATERIALITY**

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 Company 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 Company.
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company.
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.
13. 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 Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities. Without prejudice to the generality mentioned above, the Company may make disclosures of event/information as specified by the Board from time to time.

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