

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

1. LEGALFRAMEWORK

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

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors approved the “Policy for Determination of Materiality of Events or Information”. This Policy has been updated based on the amendments made to Regulation 30 and Schedule III of the LODR Regulations, by way of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 (“LODR Amendments”) and the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023 (“SEBI Disclosure Circular”).

The Board shall review, and if found required, may amend this Policy from time to time.

The Board at its meeting held on November 10, 2023 approved the amended Policy and shall be applicable to the Company w.e.f. November 10, 2023.

2. OBJECTIVE

The objective of this Policy is to assist the employees of the Company in identifying potential material events or information in an objective manner that may originate at the ground level which can be promptly escalated and reported to the authorised Key Managerial Personnel or other officers of the Company, as specified in this Policy, and to ensure prompt disclosure of material price sensitive information/ event to the Bombay Stock Exchange Limited (“BSE” or “Stock Exchange), where the securities of the Company are listed, so that present and potential investors are able to take informed decision relating to their investment in the Company and to avoid creation of false market in the securities of the Company. This Policy shall act as a guidance for determining materiality of such price sensitive information. All provisions of Regulation 30 read with Schedule III of the LODR Regulations shall hereby be deemed to be incorporated in this Policy, by reference.

3. INTRODUCTION/DEFINATIONS

In this Policy, unless the context otherwise requires:

- a. “**Act**” means the Companies Act, 2013 and the rules framed thereunder, as amended from time to time.
- b. “**Board of Directors**” or “**Board**” means the Board of Directors of the Company.
- c. “**Company**” means **ASHIRWAD CAPITAL LIMITED**.
- d. “**Key Managerial Personnel**” means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- e. “**LODR Regulations**” means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- f. **“Net Worth”** shall have the meaning assigned to it in Section 2(57) of the Act;
- g. **“Policy”** means this policy, as amended from time to time.
- h. **“SEBI”** means the Securities and Exchange Board of India.
- i. **“Rules”** means the rules made under the Act.
- j. **“Stock Exchange(s)”** means Bombay Stock Exchange Limited, where the equity shares of the Company are listed.
- k. **“Turnover”** shall have the meaning assigned to it in Section 2(91) of the Act;

All other words and expressions used but not defined in this Policy, shall have the same meaning as assigned to it under the LODR Regulations, the Companies Act 2013, the Securities and Exchange Board India Act, 1992 (**“SEBI Act”**) and the Securities Contracts Regulation Act, 1956 (**“SCRA”**).

4. DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION:

The following are the guidelines for determining materiality of events or 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; or
- 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; or
- c) the omission of an event/ information whose value or the expected impact in terms of value, exceeds the lower of the following:
 - 1) 2% (two per cent) of turnover, as per the last audited consolidated financial statements of the Company; or
 - 2) 2% (two per cent) 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; or
 - 3) 5% (five percent) of the average of absolute value of profit or loss after tax, as per the last 3 (three) audited consolidated financial statements of the Company.
- d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable an 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.

In respect of above, if the average of absolute value of profit or loss is required to be considered by disregarding the ‘sign’ (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for ‘materiality’ of the event and not for any commercial consideration.

5. DISCLOSURE OF EVENTS/INFORMATION

- a) The Company shall disclose all events which are specified in Para A of Part A of Schedule III of the LODR Regulations (“**Para A Events**”) without the application of the guidelines for materiality as specified in clause (4) of this Policy.

The disclosure of Para A Events shall be made in compliance with the necessary compliance with the SEBI Disclosure Circular to the Stock Exchange.

- b) The Company shall disclose all material events or information pertaining to itself or to its subsidiary (ies), if any, specified in Para B of Part A of Schedule III of the LODR Regulations (“**Para B Events**”) subject to application of guidelines for materiality as set out in clause (4) of this Policy.

In case an event or information is required to be disclosed by the Company in terms of the provisions of this Policy and LODR Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

6. TIMELINE FOR DISCLOSURE

The Company shall disclose all events or information which are material to the Stock Exchange as soon as reasonably possible and in any case not later than the following: -

- (i) 30 (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) 12 (twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (iii) 24 (twenty-four) hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

Provided the disclosure with respect to Para A and Para B Events for which timelines have been as specified in Part A of Schedule III of the LODR Regulations shall be made within such timelines.

Provided further that in case the disclosure is made after the timelines specified under LODR Regulations, the Company shall, along with such disclosure provide the explanation for the delay.

The Company shall, with respect to disclosures referred to in this Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

7. GUIDANCE ON WHEN AN EVENT / INFORMATION CAN BE SAID TO HAVE OCCURRED FOR DISCLOSURE

The occurrence of material events/information could be either emanating from within or outside the listed entity by the Company's own accord or for reasons 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 disrupting operations etc., it would depend upon the timing when the Company became aware of the event/information.

In respect of the events under a), the events/information can be said to have occurred upon receipt of approval of the 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. Approvals other than final approvals, such as in-principal approvals, exploratory approvals etc. will not require disclosure under this Policy.

In respect of the events under 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.

8. AUTHORIZATION OF KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND MAKING DISCLOSURES TO THE STOCK EXCHANGE

Managing Director, Whole Time Director or any other Key Managerial Person of the Company, as authorised by the Board of Directors from time to time for the purpose of determining materiality of an event/information and for the purpose of making disclosures to the Stock Exchange. The details of authorised KMP are available on the Stock Exchange and as well as on the Company's website.

9. 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, and this Policy does not, and shall not, in any manner dilute any of the requirements set out under Regulation 30 read with Schedule III of the LODR Regulations.

10. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the LODR Regulations, the LODR Regulations 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.

11. WEBSITE DISCLOSURE AND ARCHIVAL

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

The Company shall disclose on its website all such events or information which has been disclosed to the Stock Exchange as per this Policy and the LODR Regulation and the same shall be hosted on the website of the Company for a minimum period of (5) five years and thereafter as per the Archival policy of the Company.
