

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

1. BACKGROUND

This Policy has been made pursuant to Regulation 30 (4) (ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) which requires the Company to formulate a policy for determination of materiality of events and information that warrant disclosures to investors.

2. OBJECTIVE OF THE POLICY

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Listing Regulations and to provide an overall governance framework for such determination of materiality.

3. RESPONSIBILITIES FOR DISCLOSURES

The Compliance officer to have responsibility for:

- (a) deciding if information should be disclosed to the Stock Exchanges, based on the guidelines set forth in this Policy and making appropriate disclosures in respect thereto;
- (b) ensuring compliance with the Company's continuous disclosure obligations;
- (c) establishing a system to monitor compliance with the Company's continuous disclosure obligations and this Policy.

4. DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

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

In order to enable determining whether a particular event/information is material in nature, the following criteria in accordance with the Listing Regulations shall be considered:



- (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;
- (c) In case where the criteria specified in sub-clauses (a) and (b) are 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.

5. DISCLOSURE OF EVENTS AND INFORMATIONS

The Disclosure of information either to stock exchange or in the press or public medium shall be routed through the Compliance Officer. All the directors, key managerial persons and employees one level below board of directors (including functional heads) shall, on becoming aware of any information at any time which may be considered to be material as per criteria specified, must immediately report the same with adequate supporting data to the Compliance officer. Based on the information or event, the Compliance Officer shall decide about the disclosure of information or any event.

The Company shall disclose to the stock exchange(s) all material events or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information.

The Company will publicly release all information disclosed to the Stock Exchanges under this Policy, by placing it on its website for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on website.

The Events which shall be disclosed without any application of the guidelines for materiality are listed in Annexure A to this Policy.

Events which shall be disclosed upon application of the guidelines for materiality are listed in Annexure B to this Policy.

6. REVIEW AND AMENDMENTS

The Compliance officer, in consultation with the Board, will review this policy as often as he considers necessary. The Board may change this policy from time to time by resolution.

7. EFFECTIVE DATE:

The Policy as approved by the Board of Directors shall be effective from 04th



February 2019.

8. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Regulations/Companies Act, 2013 or any other statutory enactments, rules, such provisions of Listing Regulations/Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

9. WEBSITE:

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

10. CONTACT DETAILS:

Queries or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary & Compliance officer of the Company, who is in charge of administering, enforcing and updating this Policy:

Compliance Officer: Hema Kumari

Designation: Company Secretary

Contact No: 040- 29703666

Email ID: cs@acstechnologies.co.in

Address: ACS Technologies Ltd

3rd Floor, Plot 797/A, Road 36,

Jubilee Hills, Hyderabad, Telangana 500033

For and on behalf of ACS Technologies Limited

Prabhakara Rao Alokam

Director

DIN: 02263908



Date: 04/02/2019

Place: Hyderabad

Annexure A

Events which shall be disclosed without any application of materiality guidelines specified in this Policy

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: - 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 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 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 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) 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 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 extraordinary 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

Events which shall be disclosed upon application of the materiality guidelines referred to in this Policy

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 which is exclusively known to the Company, in such case, 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, such information/ event is necessary to be known by the holders of securities.

