



ACTION CONSTRUCTION EQUIPMENT LIMITED

CIN:L74899HR1995PLC053860

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“Policy for determination of materiality of events and information”

Under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



1. BACKGROUND:

Action Construction Equipment Limited (“the Company”) is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company’s securities are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and must comply with the continuous disclosure obligations as directed by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) that come into effect from December 1, 2015 and amended from time to time. Listing Regulations mandate listed entities to formulate a policy for determining materiality of events or information that warrant disclosure to investors. It is in this context that the Company has adopted this “Policy for determination of materiality of events and information” (“Policy”).

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

This Policy has been updated based on the amendments made to Regulation 30 and Schedule III of the Listing Regulations read with SEBI Circular dated July 13, 2023 (“SEBI Circular”).

2. DEFINITIONS:

In this Policy, unless the context otherwise requires:

“Board Of Directors” Board of Directors shall mean the Board of Directors of Action Construction Equipment Limited.

“Policy” means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

“Regulations” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

“Schedule” means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, The Securities Contract (Regulation) Act, 1956, The Depositories Act, 1996, The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re- enactment thereto, as the case may be.



3. OBJECTIVE:

The Policy aims to assist the employees in identifying potential material events or information and thereafter immediately informing the authorised Key Managerial Personnel for determining the materiality of such events or information to the Stock Exchanges (i.e., BSE Limited & National Stock Exchange of India Limited). The provisions of Regulation 30, Schedule III (as applicable) and SEBI Circular are deemed to be incorporated as a part of this Policy

4. SCOPE:

The Policy is applicable to the events and information as specified in this policy in relation to the Company:

5. MATERIALITY ASSESSMENT:

(a) Events which are deemed to be material for the purpose of disclosing to the Stock Exchanges:

The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the Listing Regulations (as applicable from time to time) without any application of the guidelines for determining materiality.

(b) Events which are dependent on application of guidelines for materiality:

The Company shall disclose all such events specified in Para B of Part A of Schedule III of the Listing Regulations based on application of the guidelines for determining materiality of events or information.

(c) Events with respect to subsidiaries

The Company shall disclose all such events which are material for the Company with respect to its subsidiaries.

(d) Guidelines for determining materiality of events or information:

The following criteria shall be considered for determination of 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;



c) The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- Two percent of turnover, as per the last audited consolidated financial statements of the Company;
- Two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the net worth is negative;
- Five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.

In respect to the above, it is clarified that 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.

d) In case where the criteria specified in sub-clauses (a), (b) and (c) are not applicable, an information may be treated as being material if in the opinion of the Board of Directors of the Company, the event or information is considered material.

6. DISCLOSURE TIMELINES

(a) Material Events or information shall be disclosed to the Stock Exchanges as soon as reasonably possible but not later than the following: -

- 30 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;
- 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

In case the disclosure is made after the timelines provided above, the Company shall provide explanation for the delay along with the disclosure.

(b) The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.



7. AUTHORITY TO KMP TO DECIDE MATERIALITY

Mr. Vijay Agarwal, Chairman and Managing Director, Mrs. Mona Agarwal, Mr. Sorab Agarwal, Executive Directors, Mr. Rajan Luthra, Chief Financial Officer (CFO) and Mr. Anil Kumar (Company Secretary and compliance officer) of the Company (“Authorised Person”) are severally authorised to determine Materiality of any event or information and to ensure disclosures of the same are made to stock exchange(s), subject to the provisions of this Policy. Contact details of the KMP are herein below:-

Address: Dudhola Link Road, Dudhola, Distt. Palwal 121102, Haryana, India
Phone: +91-1275-280103 (Direct)/+91-1275-280111(Board)
Email: cs@ace-cranes.com

Authorized person are authorized:

- (a) To decide on the materiality of an events or information which may qualify for disclosure and address the questions of interpretation whilst making the materiality assessment.
- (b) To determine the appropriate time at which the disclosures are to be made to the Stock Exchanges as per the SEBI Circular, based on the reporting / occurrence of the events
- (c) To update on the material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

8. DISCLOSURE PROCESS

Any event or information which is material in accordance with the criteria laid down in the para ‘Materiality Assessment’ of this Policy shall be informed to the Authorised Person, immediately upon occurrence. Any other Event or information which is not covered under this Policy but is potentially price sensitive or is likely to result in a significant market reaction if disclosed at a later date, must also be informed to the Authorised Person for further evaluation.

The event or information shall be informed to the Authorised Person along with adequate supporting data/information with respect to the Company and / or any of its subsidiaries, to facilitate a prompt and appropriate disclosure to the Stock exchanges.

9. UPDATES

The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.



This policy will be uploaded on the Company website.

10. LIMITATIONS AND AMENDMENTS

In the event of any conflict between the provisions of this Policy or Listing Regulations or any other statutory enactments, rules, etc. the provisions of such Listing Regulations or statutory enactments, rules, etc. shall prevail over this Policy.
