

# POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

Version 1.0

**Approved by:**

- Board of Directors
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**Recommended by:**

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## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

### 1. SCOPE AND PURPOSE/BACKGROUND

In accordance with the provisions of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”), and Circular/ Master Circular issued by the SEBI from time to time the Company is required to frame and adopt a policy to determine the material events by testing the materiality for the purpose of proper, sufficient and timely disclosure of the same to the stock exchanges.

The purpose of this Policy is to set out the standards, processes and criteria for the determination and disclosure of material events and information to the Stock Exchanges in compliance with Listing Regulations.

The Company endeavors to attain high level of transparency, fairness, accountability and equity with the ultimate objective of providing maximum customer satisfaction & increasing long term shareholders value keeping in view the needs and interest of all stakeholders. To achieve these objectives, the Company hereby notifies this Policy for Determination of Materiality of Information or Events.

Accordingly, the Board of Directors (“**Board**”) of the Company has adopted this Policy for determination of materiality of events (“**Policy**”) in its meeting held on February 11, 2026.

### 2. DEFINITIONS

- a. “**Archival Policy**” means the Policy on Preservation of documents / Archival policy;
- b. “**Board or Board of Directors**” means the Board of Directors of Aye Finance Limited (*Formerly known as Aye Finance Private Limited*);
- c. “**Company**” shall mean Aye Finance Limited (*Formerly known as Aye Finance Private Limited*);
- d. “**Compliance Officer**” means the Company Secretary of the Company;
- e. “**ISN on Market Rumour**” shall mean the Industry Standards Note on verification of market rumours under Regulation 30(11) of SEBI Listing Regulations.
- f. “**ISN on Reg. 30**” shall mean the Industry Standards Note on Regulation 30 of Listing Regulations.
- g. “**Key Managerial Personnel/ KMP**” means Key Managerial Personnel as defined in Section 2(51) of the Companies Act, 2013;
- h. “**Normal trading hours**” shall mean time period for which the recognized stock exchanges are open for trading for all investors.
- i. “**Relevant Employees**” shall include all the Senior Management Personnel of the Company, and such other officials / employees as may be identified by the Authorized Persons (defined herein under) from time to time;
- j. “**Regulation**” means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory amendment(s), modification(s) or re-enactment(s) thereof;
- k. “**Subsidiary**” means a subsidiary as defined under Section 2(87) of the Companies Act, 2013;

All other words and expressions used and not defined in this Policy or the Regulation, but defined in the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or any other applicable law or regulation to the extent applicable to the Company shall have the same meaning as respectively assigned to them in such Act or regulations or laws.

### 3. OBJECTIVE OF THE POLICY

The objectives of this Policy are as follows:

- i. To ensure that the Company complies with the disclosure obligations of a Listed Company laid down by the Listing Regulations;
- ii. To ensure that the information disclosed by the Company is timely, transparent and continuous and sufficient to enable investors to make informed investment decisions until the termination of the specific event or information;
- iii. To ensure that to the best of the knowledge of the management, the corporate documents and public statements are accurate and do not contain any misrepresentation;
- iv. To protect the confidentiality of material/price sensitive information within the context of the Company's disclosure obligations;
- v. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company; and
- vi. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

#### 4. TYPES OF INFORMATION

The Listing Regulations have classified disclosure of material events/information, into the following categories:

- Events which are deemed material events, and which need to be disclosed without application of the "materiality criteria" as defined in the following point. These events are specified in Para A of Part A of Schedule III of Listing Regulations.
- Events which need to be disclosed based on the application of the "materiality criteria". These events are specified in Para B of Part A of Schedule III of Listing Regulations. The materiality criteria are as follows: -
  - 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 or information, whose value or the expected impact in terms of value, exceeds the lower of the following: -
    - i. 2% of turnover, as per the last audited consolidated financial statements of the Company;
    - ii. 2% 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;
    - iii. 5% 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 case where the criteria specified in sub-clauses a, b and c is not applicable, an event or 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.

- Other events as specified in Para C and Para D of Part A of Schedule III of Listing Regulations.

Any confidential information which if disclosed is likely to put at risk the business interest of the Company shall not be disclosed. The Company to that extent shall make qualified disclosure to the stock exchanges.

- The Company shall promptly inform the Stock Exchanges of all events or information, which shall have bearing on performance / operation of the Company or is price sensitive or any action, that shall affect payment of interest or redemption of its non-convertible debentures. These events are specified in Part B of Schedule III of Listing Regulations
- All events or information with respect to the subsidiary/ies of the Company which are material for the Company shall be considered for disclosure to stock exchanges in terms of Regulation 30(9) of the SEBI Listing Regulations.
- The Company shall disclose all events or information, as disclosed by it on the India INX, to the stock exchange in order to maintain uniformity and ensure consistent communication.

*The ISN on Reg 30 shall be referred to determine the appropriate quantitative thresholds applicable to the relevant events.*

## **5. TIMEFRAME FOR DISCLOSURE TO THE STOCK EXCHANGE**

In accordance with the Listing Regulations, all material events or information shall be disclosed to the Stock Exchanges as soon as reasonably possible and in any case not later than the following:

- 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;

Where the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

Further, the meeting of the Board of Directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

If all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of subparagraph 8 of paragraph B of Part A of Schedule III, is maintained in the structured digital database of the Company in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the Company.

The disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the Listing Regulations, shall be made within such timelines.

In case the disclosure is made after the timelines specified above, the company shall, along with such disclosure provide the explanation for the delay.

## 6. PERSON(S) RESPONSIBLE FOR DISCLOSURE

The Board of Directors has severally or jointly authorised Managing Director, Interim Chief Financial Officer/ Chief Financial Officer and Company Secretary of the Company (collectively referred to as 'Authorized Persons') to determine the materiality of any information or event and to make the disclosure to the stock exchange(s).

The relevant employees shall identify potential event or information, which may be material, pertaining to their functional roles and report the same to the aforesaid Authorized Persons./the said event or information based on application of the materiality guidelines provided under Regulation 30(4)(i) of the SEBI Listing Regulations. and for making the necessary disclosures to the stock exchange(s).

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- i. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- ii. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- iii. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- iv. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- v. To disclose all events or information with respect to the subsidiaries which are material for the Company.

## 7. POINT OF TIME WHEN THE MATERIAL EVENT / INFORMATION IS SAID TO HAVE OCCURRED

The Company shall disclose any event or information that meets the materiality criteria under this Policy only upon receipt of credible and concrete details, or once such event has actually occurred, so as to ensure the information is made generally available.

In certain instances it would depend on stage of negotiation, discussion or approval and the material event /information will be said to have occurred:

- a) In cases involving negotiation, discussion or approval, upon receipt of the approval of the Board or the shareholders, as the case may be. However, in cases involving price sensitive events / information, the disclosure may be made on the receipt of approval of the Board, pending shareholders approval.

In case any approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under this policy.

- b) In other cases, where no approvals are required (such as natural calamities or disruptions, etc.) when the Company or its officers become aware of the events / information, or when the Company

or its officers ought to have reasonably come into knowledge / possession of the event / information while performing their duties.

## **8. OBLIGATIONS OF INTERNAL STAKEHOLDERS AND AUTHORIZED PERSON FOR DISCLOSURE**

- Any event or information including events as mentioned in Para A, B, C and D of Part A of Schedule III of Listing Regulations shall be forthwith informed to the Authorized Person(s) upon occurrence by the relevant employees, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- The Authorized Person will then ascertain the materiality of such event(s) or information based on the above guidelines.
- On completion of the assessment, the Authorized Person shall, if required, make appropriate disclosure(s) to the stock exchanges.

## **9. GUIDELINES FOR RUMOUR VERIFICATION**

The Company shall confirm, deny or clarify upon the material price movement any reported event or information in the mainstream media, which is not general in nature and indicates that rumours of an impending specific material event or information that are circulating amongst the investing public and also provide the current stage of such event or information. Such disclosure will be as per the timelines prescribed under the Listing Regulations and ISN on Market Rumour, but in any case not later than twenty four hours from the trigger of material price movement.

The provisions of this para (i.e. para 9 of this policy) are applicable only to top 250 Companies based on their market capitalisation. The Company shall immediately comply with these provisions once it falls within the bracket of top 250 Companies.

## **10. GUIDELINES FOR COMMUNICATION**

In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30 of the Listing 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.

## **11. POLICY REVIEW**

This Policy is subject to review from time to time but at least once in a year by the Board. Material changes to the Policy will need the approval of the Board. Where the terms of this policy differ from any existing or newly enacted law, rule, regulation, relevant amendments or standard governing the Company, the law, rule, regulation or standard will take precedence over this Policy and procedures until such time this policy is changed to conform to the law, rule, regulation, amendment or standard.

## **12. WEBSITE**

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing 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.