



A. K. SPINTEX LIMITED

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Dec 31, 2015

To,
The General Manager
DCS-CRD
Bombay Exchange Ltd.
Rotunda Building
P.J. Tower, Dalal Street, Fort
MUMBAI - 400001

e-filing: listing.bseindia.com
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BSE SCRIP: 539300

Sub: Submission of the policy for Determination of Materiality under Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Dear Sir,

In compliance of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 please find enclosed policy for Determination of Materiality under Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Kindly note that the above said policy was approved by Board of Directors at their meeting held on 14th Dec, 2015 and a copy of the same is also hosted on company's website.

You are requested to please take on record our above said document for your reference and further needful.

Thanking You

Yours faithfully

For: A.K. SPINTEX LIMITED

Ashish Kumar Bagrecha
Ashish Kumar Bagrecha
Company Secretary &
Compliance Officer

For: A.K. SPINTEX LTD.
ASHISH KUMAR BAGRECHA

Ashish Kumar Bagrecha
COMPANY SECRETARY

Policy for Determination of Materiality for “ A.K. SPINTEX LIMITED”

Unser Regulation 30 (4) of the SEBI (Listing Obligations and Disclosures requirement) Regulations, 2015 Read with the Schedule III of the Said Regulation

1. PREAMBLE:

The Board of directors (Board) of A.K. SPINTEX LIMITED (“The Company” or “AKSL”) Has adopted the following policy and procedure with regard to Policy for Determination of Materiality as defined below. The Board will reviewed and may amend this policy from time to time.

2. PURPOSE:

This policy is framed as per requirement of Regulation 30 (4) of the SEBI (Listing Obligations and Disclosures requirement) Regulations, 2015 [SEBI (LOADR) Regulations 2015]

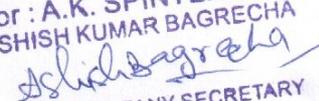
3. INTRODUCTION:

News or details that may reasonably be expected to affect a company’s stock price and thus decisions that investors make about buying or selling the company’s stock. Material events may be the addition or loss of a large customers, failing or rising sales, a merger agreement, financial result above or below expectations, or a change in the company’s dividend policy.

In order to enable investors to make well informed investment decisions, timely, adequate and accurate disclosure of information on an ongoing basis is essential. There is a need of uniformity in disclosure to ensure compliance in letter and spirit.

4. DEFINITIONS:

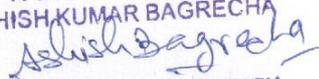
- i. **Act:** Means Companies Act, 2013
- ii. **Board Of Directors:** Means Board of Director of A.K. Spintex Limited
- iii. **The company:** Means : “A.K. Spintex Ltd”, of “the Company” or “AKSL”
- iv. **SEBI (LOADR) Regulation:** Means SEBI (Listing Obligations and Disclosures requirements) regulations, 2015
- v. **Compliance Officer:** The officer appointed by the Board of Directors of the company for the purpose of these regulations from time to time
- vi. **SEBI:** The Security Exchanges Board of India.
- vii. **Rules:** Rules made under companies Act, 2013
- viii. **Regulations:** Regulations made under the SEBi Act.
- ix. **Material Event:** Reasonably be expected to affect a company’s stock price
- x. **BSE Limited:** Stock Exchnage, where the equity shares of the company is listed.

For : A.K. SPINTEX LTD.
ASHISH KUMAR BAGRECHA

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5. **EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS, THE COMPANY SHALL MAKE DISCLOSURE OF SUCH EVENTS:**

The company shall be events upon occurrence of which company shall make disclosure to BSE without any application of the guidelines for materiality as specified in sub-regulation (2) of regulation (30):-

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangements (amalgamation/merger/demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the company or any other restructuring.
2. Issuance or forfeiture of securities or alteration 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
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 Board 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. Agreement(s), family settlement agreements(s) (to the extent that it impacts management and control of the listed entity), Agreements(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 the 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 listed entity.

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13. Proceedings of Annual and extraordinary general meetings of the company.
14. Amendments to memorandum and articles of associations of listed entity, in brief
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the company to analysts or institutional investors:

6. EVENTS WHICH ARE DEPEND ON APPLICATION OF GUIDELINES: THE COMPANY SHALL MAKE DISCLOSURE OF SUCH EVENTS.

The company shall disclose all such material events specified in para B of part A of schedule III of the SEBI (LOADR) Regulations, 2015 subject to application of guidelines for materiality.

The following shall be events upon occurrence of which company shall make disclosure to BSE subject to application of the guidelines for materiality as specified in sub-regulation (3) of regulation (30):-

I. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division

Materiality:- commencement or postpone of commercial production are directly influenced share price of the company. Therefore, the event shall be considered as material event, if the turnover from such proposed business is exceeding 10% of the total turnover in the preceding financial year audited financial result.

II. 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)

Materiality:- 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 may affect company's share price directly or indirectly and omission of the events or information is likely to result in significant market reaction, therefore the event shall be considered as material event, if the turnover from such new/changed business is exceeding 10% of the total turnover in the preceding financial year audited financial result.

III. Capacity addition or product launch

Materiality:- increasing capacity of existing plant or unit of the company and launching any new product automatically increase goodwill of the company and help to improve brand building, therefore the event shall be considered as material event, if the turnover from such proposed business is exceeding 20% of the total turnover in the preceding financial year audited financial result.

IV. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.

Materiality:- Getting contracts are under the normal course of business but if company gets any extra ordinary order, it shall be considered material event, if the turnover from each such order or contract is exceeding 10% of the total turnover in the preceding financial year audited financial result.

Further getting any award of national recognized institution of the Government agency to the company or any of its directors or key managerial personnel shall be considered as material event.

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V. Agreement (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.

Materiality:- The company is not required to disclose agreement which are in the nature of ordinary business.

For other agreement for borrowings by way of term loan exceeding Rs. 500 Lakhs shall be considered as material event.

VI. Disruption of operation of any or more units or division of the listed entity due to natural calamity, (earthquake, flood, fire et.) force majeure or events such as strikes, lockout etc.

Materiality:- Disruption of operation of any or more units or division of the listed entity due to natural calamity, (earthquake, flood, fire et.) force majeure or events such as strikes, lockout etc for exceeding 3 working days shall be considered material event in all cases company.

VII. Effect(s) arising out of changes in the regulatory framework applicable to the listed entity.

Materiality:- Due to change in regulatory framework applicable to company as compliance requirement is not required to disclose to the stock exchange.

VIII. Litigation(s)/ dispute(s)/ regulatory action(s) with impact

Materiality:- Only material Litigation(s)/ dispute(s)/ regulatory action(s) is to be disclosed which have material impact of the company's financial position exceeding 5% of the networth or Rs. 1.00 Crore or more in each case whichever is higher.

The test of material impact shall be decided by Board of directors.

IX. Fraud/default etc. by directors (other than key managerial personnel) or employees of listed entity.

Materiality:- The company shall not disclose any fraud/default made by directors or employees of the company, until the final binding or order not received by regulatory authority. After receiving the final order, the board shall decide the order should be disclosed or not. However in case if any FIR in the police station which are not balance and pending under the court having jurisdiction in the Indian penal court will be considered as material event.

X. Options to purchase securities including any ESOP/ESPS Scheme.

Materiality:- The company shall promptly disclose without applying any materiality.

XI. Giving of guarantees or indemnity or becoming a surety for any third party.

Materiality:- Giving of guarantees or indemnity or becoming a surety for any third party is company's normal course of business. As company's product is capital goods and to fulfill or perform the duty company has to give guarantees or surety to third party and it is company's normal course of Business for the guarantee value exceeding Rs. 2.50 Crores or 5% of the net owned funds as per previous year audited financial statements, shall be considered as material event.

XII. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Materiality:- The Board of directors of the company shall decide which license are key license and the same shall be disclosed to stock exchange.

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7. ANY OTHER INFORMATION/EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY:

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 security of the company to appraise its position and to avoid the establishment of a false market in such securities.

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

The following KMPs is authorised by Board of directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange:-

1. CS Ashish Kumar Bagrecha, Company Secretary & Compliance Officer
2. Shri Dinesh Porwal, CFO and KMP, Additional Compliance Officer

Details of above KMPs shall be disclosed to the stock exchange as well as on company's website.

9. THE LIMIT FOR DISCLOSURE OF EVENT OR INFORMATION TO THE STOCK EXCHANGE:

The company shall disclose to stock exchange all events, as specified in part A of schedule III of LODR Regulation, or information within twenty four hours from the occurrence of the event or information.

In case the disclosure is made after 24 hours of occurrence of the event or information, the company shall along with such disclosure provide explanation for delay.

Disclosure with respect to events specified in sub-para 4 of para A of part A of Schedule III of LODR Regulation shall be made within thirty minutes of the conclusion of the board meeting.

10. DISCLOSURES ON COMPANY'S WEBSITE AND DISCLOSURES PRESERVATION PERIOD.

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

11. REVIEW OF THE POLICY:

The Board of directors of the company shall review the policy on annual basis. The authorised person shall provide regular assurance to board of directors on the effectiveness of the policy.

Note: The above said policy was approved by the Board of directors at their meeting held on 14th Dec, 2015 and shall become applicable w.e.f. 1st Jan, 2016

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