



IS/ISO 9001 - 2000

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POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

1. SCOPE

In compliance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 dated June 14, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 issued by the Securities and Exchange Board of India (the "Listing Regulations"), this policy for Determination of Materiality of Events And Information (the "Policy") provides a framework for determining materiality of events and information for the purpose of making disclosure to the Stock Exchange. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchange.

2. MATERIAL EVENTS AND INFORMATION

The material events and information to be disclosed to the Stock Exchange are broadly divided into the following categories:-

- (a) Events and information specified in Para A of Part A of Schedule III of the Listing Regulations ("Para A") including any amendment thereto, required to be mandatorily disclosed to the Stock Exchange. These events are mentioned below in brief:-
 - (i) Outcome of the Board meetings held to consider the recommendation / declaration of dividend, any cancellation of dividend with reasons thereof, buyback of securities, alteration of capital including calls, fund raising, increase in capital by issue of bonus shares, reissue of forfeited shares or securities, financial results, voluntary delisting, etc.
 - (ii) Acquisition(s) (including agreement to acquire)/ Scheme of Arrangement (Amalgamation/merger/demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary, sale of stake in undertaking or subsidiary, associate company or any other restructuring.
 - (iii) Issuance or forfeiture of securities, split or consolidation of shares or 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.
 - (iv) New Rating(s) or Revision in Rating(s) thereof.

(v) Agreements (viz. Shareholder Agreement(s), Joint Venture Agreements, Family Settlement Agreements, agreements, (to the extent it impacts the management and control of the Company), agreement(s)/treaty/contract(s) with media Companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

(vi) Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the Company including disclosure of any rescission, amendments or alteration of such agreements thereto, whether or not the Company is a party to such agreements.

Provided that such agreements entered in to by the Company in normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of Regulation 30 of Listing Regulations.

(vii) Fraud/defaults by the Company, its Promoters, Directors, Key Managerial Personnel, Senior Management or Subsidiary or arrest of Promoters or Key Managerial Personnel, Senior Management, Promoter or Director of the Company, whether occurred within India or abroad.

(viii) Change in Directors, Key Managerial Personnel, Senior Management, Auditors and Compliance Officer.

In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four (24) hours of receipt of such reasons from the auditor

In case of resignation of an independent director of the Company, within seven (7) days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:-

- The letter of resignation along with detailed reasons for the resignation as given by the said director.
- Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
- The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
- The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii) above.

In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation alongwith detailed reasons for the resignation as given by the individual shall be disclosed to the stock exchanges by the company within seven (7) days from the date that such resignation comes in to effect.

In case the Managing Director or Chief Executive Officer of the Company was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty-five (45) days in any rolling period of ninety (90) days, the same alongwith the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).

- (ix) Appointment or discontinuation of share transfer agent.
- (x) Resolution Plan/Restructuring in relation to loans/borrowings from Banks/Financial Institutions.
- (xi) One time settlement with a bank.
- (xii) Winding-up petition.
- (xiii) 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.
- (xiv) Proceedings of general meetings.
- (xv) Amendments to Memorandum and Articles of Association of the Company.
- (xvi) Schedule of Analyst/investor meet at least 2 working days in advance (excluding the date of the intimation and date of the meet) and presentations made by the company to analyst's or institutional investors.

"Meet" shall mean group meetings or group conference calls conducted physically or through digital means.

Presentation and Audio /Video recordings of the post earnings/quarterly calls shall be made available to stock exchanges and on company's website before the next trading day or within 24 hours from the conclusion of such calls, whichever is earlier.

Transcripts of such calls shall be made available on the website within 5 working days of the conclusion of such calls.

- (xvii) Corporate Insolvency Resolution Process (CIRP) under the Insolvency Code.
- (xviii) Initiation of Forensic Audit.
- (xix) Announcement or Communication through social media intermediaries or mainstream media by Directors, Promoters, Key Managerial Personnel or Senior Management in relation to any material event which is not already made available in the public domain by the Company.
- (xx) Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company in respect of search or seizure, re- opening of accounts under section 130 of the Companies Act, 2013 (Act), investigation under the Act.
- (xxi) Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company in respect of suspension, imposition of fine or penalty, settlement of proceedings, debarment, disqualification, closure of operations, sanctions imposed, warning or caution or any other similar action(s) by whatever name called.
- (xxii) Voluntary revision of financial statements or the report of the Board of Directors of the Company.

- (b) Events and information specified in Para B of Part A of Schedule III of the Listing Regulations (“Para B”) including any amendment thereto, required to be disclosed to the Stock Exchanges if they are material. Materiality of the events shall be decided by applying the Test of Materiality explained in paragraph 3 of the Policy. These events are mentioned below in brief:-
- (i) Commencement/postponement of commercial production or commercial operations of any unit/division.
 - (ii) Arrangements for strategic, technical, manufacturing, or marketing tie-ups, adoption of new lines of business, closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
 - (iii) Capacity addition or product launch.
 - (iv) Awarding, bagging/receiving contracts and amendment or termination of contracts not in the normal course of business.
 - (v) Loan agreements and any other agreement not in the normal course of business.
 - (vi) Disruption of operations of any unit/division due to natural calamity, etc. \Effect(s) arising out of change in the regulatory framework.
 - (vii) Effect(s) arising out of change in the regulatory framework.
 - (viii) Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
 - (ix) Fraud/defaults by Employees of the Company which has or may have an impact on the Company.
 - (x) ESOP/ESPS Scheme.
 - (xi) Giving guarantees/indemnity or becoming surety for any third party.
 - (xii) Grant/surrender of key licenses or regulatory approvals.
 - (xiii) Delay or default in payment of fines, penalties, dues etc. to any regulatory authority, enforcement or judicial authority.
- (c) Any other information or event viz. major development that is likely to affect the 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 exclusively known to the Company which may be necessary to enable the securities holders of the Company to appraise its position and to avoid establishment of a false market in such securities.
- (d) Without prejudice to the generality of paragraphs (a), (b) and (c) above, any other event or information as may be specified by the Board of Directors from time to time.

3. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS AND INFORMATION

The Company shall consider the following criteria for determining materiality of events and information mentioned at paragraph 2(b) above (the “Test of Materiality of Events and 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 or information, whose value or the expected impact in terms of value, exceeds the lower of the following:-
- 2% (two percent) of turnover, as per the last audited consolidated financial statements;
 - 2% (two percent) of net worth, as per the last audited consolidated financial statements, except in case the arithmetic value of the net worth is negative;
 - 5% (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;
- (d) Events or information, where the criteria specified in (a), (b) and (c) above are not applicable, shall be considered material for the purpose of disclosure to the stock exchanges if in the opinion of the Board of Directors of the Company, the event or information is considered material.

4. GUIDANCE ON OCCURRENCE OF AN EVENT OR INFORMATION

- (a) The occurrence of an event or information shall differ on a case to case basis and would depend on the stage of discussion, negotiation or approval. For example, events like issue of Rights Shares can be said to have occurred on approval of the Board of Directors. Events like declaration of dividend would be deemed to have occurred when the dividend is approved by the Board of Directors and the shareholders. However, considering the price sensitivity involved in events like declaration of dividends, etc., disclosure shall be made on receipt of approval of the Board of Directors, pending Shareholders' approval.

In case in-principle approval or approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under regulation 30 of the Listing Regulations.

- (b) For events and information like natural calamities or disruptions, etc. which do not involve any discussion or approval, the date of occurrence would be the date when the Company becomes aware of such events or information or as soon as the officer of the Company has or ought to have reasonably come into possession of such information in the course of performance of his duties.

The term 'officer' includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more Directors is or are accustomed to act and shall also include the promoters of the Company.

5. AUTHORITY

Chairman, Chief Financial Officer and Company Secretary shall be severally authorized to decide on the materiality of events and information for the purpose of making disclosure to the Stock Exchange. They shall also decide upon the requirement to respond to any queries raised or requests made by the Stock Exchange in respect of matters covered under Regulation 30 of the Listing Regulations.

The Functional Heads or Senior Management employees of the Company shall identify any potential material event or information requiring disclosure to the Stock Exchange and shall report the same, with adequate supporting data/ information, to authorised persons mentioned above for determining the materiality of events or information.

6. DISSEMINATION OF INFORMATION

The Managing Director, Chief Financial Officer and the Company Secretary are severally authorized for timely disclosure of information under Regulation 30 of the Listing Regulations.

7. DISCLOSURES OF MATERIAL EVENTS AND INFORMATION

- (a) The Company shall disclose all events or information in terms of the Regulation 30 to the stock exchanges as soon as reasonably possible and not later than the following:-
- (i) 30 minutes of the closure of the Board meeting in which the decision pertaining to the event or information is has been taken;
 - (ii) 12 hours from the occurrence of event or information, in case the event or information is emanating from within the Company;
 - (iii) 24 hours from the occurrence of event or information, in case the event or information is not emanating from within the Company.
- (b) Disclosures for events or information mentioned in paragraph 2(a)(i) above shall be made within timelines specified in Part A of Schedule III of Listing Regulations.
- (c) In case the disclosure is made after the timelines mentioned in the Listing Regulations, the Company shall provide the explanation for the delay along with the disclosure.
- (d) 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.
- (e) The Company shall also disclose all events and information with respect to its subsidiaries which are material for the Company.
- (f) Company may on its own initiative also confirm or deny any reported event or information to stock exchanges.
- (g) Events and information which have been disclosed to the Stock Exchanges under this Policy shall be placed on the website of the Company and shall be hosted on the website for a minimum period of five years. On expiry of the period of five years, such disclosures shall be dealt with in accordance with the Archival Policy of the Company.

8. DISCLOSURE ON WEBSITE

This Policy shall be disclosed on the Company's website www.apminindustries.co.in.

9. REVIEW / AMENDMENT

The Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the applicable provisions of the Listing Regulations and amendment(s) thereto notified by the Securities and Exchange Board of India and/or the Stock Exchanges, from time to time. In case any provisions of this Policy are contrary to or inconsistent with the provisions of the Act, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the Statutory Provisions shall prevail.

However, amendments in the Listing Regulations shall be binding even if not incorporated in this Policy.

This Policy was originally approved by the Board of Directors at its meeting held on November 06, 2015 and revised by the Board of Directors at its meeting held on August 08, 2023.