

POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENT / INFORMATION

I. Preamble

The Board of Directors (the “Board”) of **apcotex industries limited** (the “Company”) has adopted the following policy and procedures with regard to determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (The Policy).

II. Purpose

The purpose of this Policy is to determine materiality of events and information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make disclosure of events / information specified in para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

III. Criteria for determination of materiality of events / information

The Company shall consider the criteria as specified in clause (i) of sub-regulation 4 of Regulation 30 of the Listing Regulations for determination of materiality of events / information.

IV. Disclosure of events or information

- The following events / information specified in para A of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality:
 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 listed entity 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 listed entity 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.

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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 listed entity 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 listed entity), 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 listed entity.

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13. Proceedings of Annual and extraordinary general meetings of the listed entity.
 14. Amendments to memorandum and articles of association of listed entity, in brief.
 15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
- The following events / information specified in para B of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges after following the procedural guidelines as given 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.

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- Any other information/event viz. major development that is likely to affect business and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the Shareholders to appraise its position and to avoid the establishment of a false market in such securities.
- The Company may make disclosures of event/information as specified by the Board from time to time.

V. Procedural Guidelines for determination of materiality of events/ information

The Head of the Departments who are responsible for relevant areas of the Company's operations (Responsible Officers) must report to the Managing Director of the Company or Company Secretary of any event / information which may possibly be material or of which the Responsible Officer is unsure as to its materiality. The event / information should be reported immediately after a Responsible Officer becomes aware of it.

On receipt of communication of potential material event / information, the Managing Director/Company Secretary will:

- Review event / information and to take whatever steps necessary to verify its accuracy;
- Assess whether the event / information is required to be disclosed to the Stock Exchanges under the Listing Regulations;

Where the Managing Director or Company Secretary is not certain about materiality of event / information, they may refer matter for external legal advice.

The procedure to be followed in relation to the uploading of announcement of material event / information is as follows:

- Upload Announcements: The Company Secretary on behalf of the Company will upload the announcement with the Stock Exchanges.
- Post announcement on website: After Uploading of the announcement with the Stock Exchanges, the Company Secretary will arrange to place it on the website of the Company.

VI. Communication of this Policy

This Policy will be communicated to all Directors and employees of the Company. This Policy shall also be posted on the web-site of the Company.

VII. Amendment

This Policy may be modified, amended, edited or substituted by the Board of directors to align with any statutory changes / modifications / amendments as may be required, from time to time.