



apcotex industries limited

**POLICY FOR DETERMINATION OF MATERIALITY OF
EVENTS OR INFORMATION**

Approved on: 6th February 2016

DRAFT POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

1. Legal Framework

This Policy is framed pursuant to Regulation 30 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The objective of the Policy is to determine the materiality of event or information of the Company, apart from those events which are already specified in Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, as amended from time to time, so that such event or information can be promptly disclosed to the stock exchange(s).

2. Objective

The objective of this Policy is to serve as a guiding charter to the Management to ensure timely and adequate disclosure of events or information are made to the investor community by the Company under the SEBI (LODR) Regulations, 2015, to enable them to take well informed investment decisions with regard to the securities of the Company.

3. Applicability

Information relating to material events and which is price sensitive in nature, shall be promptly disseminated to the Stock Exchange (s). For this purpose, material event means any information which relates to the Company and which, if published is likely to materially affect the price of shares of the Company.

- a. The Company shall make disclosure of events specified in Para A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015, as may be amended from time to time, without applying any test of materiality to the stock exchanges within specified timelines.
- b. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the SEBI (LODR) Regulations, 2015, as may be amended from time to time, based on application of the criteria for determination materiality as specified in Regulation 30 (4) of SEBI (LODR) Regulations, 2015.
- c. Any other information/event viz. 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 shareholders of the Company to appraise its position and to avoid the establishment of a false market in such securities, would be disclosed as advised by the Board from time to time.
- d. The Company shall make disclosures of any events or information which, in the opinion of the Board of Directors, is material. In case where an event occurs or information is available with the company, which has not been indicated in point a, b and c, but which may have material effect on it, the Company would make adequate disclosures in regard thereof.

4. Criteria for determination of materiality of events / information

The Company shall consider the following criteria for determination of materiality of event / information as stated in point 3b & 3c above:-

Quantitative criteria would be calculated based on audited financial statements of the last audited financial year, and would mean event/ information where the value involved or the impact:

- (a) exceeds ten per cent of the gross turnover, or
 - (b) exceeds ten per cent of the net worth;
- whichever is lower.

Qualitative criteria would mean an event/ 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) any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event / information is considered material.

5. Disclosure of material events / information

The Company shall disclose to the stock exchange(s) of all events, specified in Para A of Part A of Schedule III of SEBI (LODR) Regulations, 2015 or information as soon as reasonably possible and not later than 24 hours from the occurrence of the event/information. In the event the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures provide an explanation for such delay.

The disclosure with respect to events specified in point no. 4 of A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015 shall be made within 30 minutes of the conclusion of the board meeting.

The Company shall make disclosures updating the material developments pertaining to material events on a regular basis, till such time the event is resolved/closed, and to be disclosed to the stock exchanges with relevant explanations.

The Company shall also disclose all events or information with respect to subsidiaries which are material, if any, for the Company.

6. Authorize Key Managerial Personnel (KMP)

The following KMPs are hereby severally authorized 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(s)

- a. Managing Director
- b. Company Secretary

7. Disclosure on the website of the Company

All such events or information which has been disclosed to stock exchanges under the SEBI (LODR) Regulation, 2015 shall be made available on the Company's website. Such events or information shall be placed on the website of the Company for a minimum period of five years. The Policy and the contact details of the persons authorized by the Board shall be hosted on the website of the Company.

8. Amendment

The Board of Directors of the Company reserves the right to amend or modify this Policy in whole or in part, as may be required, at any point of time.