

# **AMINES AND PLASTICIZERS LTD.**

## **Policy on Determination of Materiality of Event(s)/Information**

**Last modified on 11<sup>th</sup> August 2023**

## Policy on Determination of Materiality of Event(s)/Information

---

### 1. PREAMBLE

The Securities and Exchange Board of India (“SEBI”) has promulgated the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”). The Regulations consolidates and streamlines the provisions of the existing Listing Agreements for different segments of the capital market.

Regulation 30(4)(ii) of the Regulations requires listed companies to have a policy to determine materiality and / or price sensitive information so that stakeholders are kept abreast of important events in the company. This Policy shall be read together with the Fair Disclosure Code of the Company already in place and the Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

### 2. OBJECTIVES

The objective of this policy is timely dissemination of information to stakeholders by making relevant information available in the public domain.

### 3. EFFECTIVE DATE

This Policy shall be effective from December 1, 2015.

### 4. DEFINITION

- a. “Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- b. “Board” means Board of Directors of the Company.
- c. “Company” means Amines and Plasticizers Limited.
- d. “Compliance Officer” means the Company Secretary of the Company.
- e. “Director” means a member of the Board.
- f. "Generally Available Information" means information that is accessible to the public on a non-discriminatory basis.
- g. “Key Managerial Person” means person as defined in Section 2(51) of the Companies Act, 2013.
- h. “Policy” means the Policy on determination of Materiality and / or Price Sensitive information to the stakeholders under the Regulations.

- i. "Regulations" mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any modifications thereof.
- j. "SEBI" means the Securities and Exchange Board of India.
- k. "Rules" means the rules made under the Companies Act, 2013.
- l. "Stock Exchange(s)" means BSE Limited, National Stock Exchange of India Limited and Luxemborg Stock Exchange.

## 5. INTERPRETATION

- a. Words and expressions used and not defined in this Policy but defined in the Act, the Regulation, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and Rules and regulations made thereunder shall have the meanings respectively assigned to them therein.
- b. Words importing the plural include where the context admits or requires, the singular, and vice-versa.
- c. Words importing the person shall, where the context requires, include corporate bodies and companies as well as individuals.

## 6. CLASSIFICATION OF MATERIAL EVENTS/ INFORMATION

### I. DEEMED TO BE MATERIAL INFORMATION:

- A. The events/information stated below and also specified in Para A of Part A of Schedule III of the Listing Regulations shall be disclosed to the Stock Exchanges immediately. These have to be necessarily disclosed without applying any test of 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.

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 listed entity 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 listed entity 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.

7A. In case of resignation of the auditor of the listed entity, 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 hours of receipt of such reasons from the auditor.

7B. Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.

ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.

iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.

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.
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.

16. The following events in relation to the Corporate Insolvency Resolution Process (CIRP) of a listed corporate debtor under the Insolvency Code:
- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
  - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
  - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
  - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
  - e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
  - f) Appointment/ Replacement of the Resolution Professional;
  - g) Prior or post-facto intimation of the meetings of Committee of Creditors;
  - h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
  - i) Number of resolution plans received by Resolution Professional;
  - j) Filing of resolution plan with the Tribunal;
  - k) Approval of resolution plan by the Tribunal or rejection, if applicable;
  - l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
    - i. Pre and Post net-worth of the company;
    - ii. Details of assets of the company post CIRP;
    - iii. Details of securities continuing to be imposed on the companies' assets;
    - iv. Other material liabilities imposed on the company;

- v. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
  - vi. Details of funds infused in the company, creditors paid-off;
  - vii. Additional liability on the incoming investors due to the transaction, source of such funding etc.;
  - viii. Impact on the investor – revised P/E, RONW ratios etc.;
  - ix. Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
  - x. Brief description of business strategy
- m) Any other material information not involving commercial secrets
  - n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
  - o) Quarterly disclosure of the status of achieving the MPS;
  - p) The details as to the delisting plans, if any approved in the resolution plan.
17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:
- a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
  - b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.
- II. EVENTS/INFORMATION ON WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY
- B. The events/information stated below and also specified in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed upon application of the guidelines for materiality specified in this policy and the regulations.

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division of the Company.
  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 listed entity 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 listed entity.
  8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
  9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
  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.
- 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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
- D. Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by SEBI from time to time.

## 7. DETERMINATION OF MATERIALITY

An event and/or information shall be considered to be material based on following criteria:

I. Qualitative:

Qualitative criteria to determine materiality shall become applicable to an event / information if:

- a. the omission of such event and/or information, is likely to result in discontinuity or alteration of event or information already available publicly; or
- b. the omission of such event and/or information is likely to result in significant market reaction if the said omission came to light at a later date.

II. Quantitative:

Quantitative criteria to determine materiality shall become applicable to an event / information:

- a. two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
  - b. two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
  - c. 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 listed entity;”
- a. the above threshold shall be determined on the basis of audited consolidated financial statements of last audited financial year.

In case where the criteria specified in clauses I and II are not applicable, an event/information may be treated as being material if in the opinion of the Key Managerial Personnel(s) of the Company i.e. Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary of the Company and/or the Board of Directors, the event / information is considered material.

For the purpose of sub-clauses I and II, Key Managerial Personnel(s) of the Company i.e. Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary of the Company in this order shall be authorized to determine materiality of events/information and inform the same to the Stock Exchanges on which the shares of the Company are Listed.

The Contact number of the person authorized to determine materiality of events/information is also available on the website of the Company.

## **8. DISCLOSURE OF MATERIAL EVENTS**

The President(s), Vice President(s), Head of the Department(s) (HOD) and Finance Head(s) (Responsible Officers) who are responsible for relevant areas of the Company's operations must report to the Chairman & Managing Director (CMD) and/or Whole-time Director (WTD) of the Company about any material event or information.

In case such event is required to be disclosed which is material in nature and is not in the knowledge of responsible officer or comes to his/her knowledge subsequently, the responsible officer shall report immediately upon becoming aware of it to the CMD and/or WTD.

On receipt of communication of such event or information the matter will be reviewed and accessed in regard to its accuracy and necessity of disclosures of such event or information in terms of this policy. Where the Company is not certain about materiality of event/information, it may refer the matter to the external legal advice.

Disclosure of the events/ information enumerated in Clause 6(I)(A) (4) above shall be made within 30 minutes of the conclusion of the Board Meeting at which such events were discussed along with the time of commencement and conclusion of the meeting.

All other events/ information mentioned under Clause 6(I)A, Clause 6 (II) (B), (C) and (D) above, other than those mentioned in the foregoing clause shall be disclosed by the Company as soon as reasonably possible but not later than 24 hours from the occurrence of a particular event/ information.

Disclosure of any material development shall be made on a regular basis of any event/information, till such time the event/information is resolved/ closed with relevant explanations.

Every dissemination made under the Policy shall be published on the website of the Company and shall remain on website of the Company for a minimum period of 5 years and thereafter as per the Preservation of Document and Archival Policy of the Company.

## **9. AUTHORIZATION FOR DISCLOSURE**

The Chairman and Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary of the Company are severally / jointly authorized for the purpose of making disclosures to stock exchange(s) under this Policy.

**10. AMENDMENT AND REVIEW OF THE POLICY**

The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Board reserves the right to review and/or amend this Policy from time-to-time based on changing Regulatory requirements.

\*\*\*\*\*