

Policy on Materiality of Events and Its Disclosure

to Stock Exchanges

I. Preface :

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every Listed Company to frame a Policy on Materiality of Events and Its Disclosure to Stock Exchanges under Regulation 4(2)(e) in Chapter II. In terms of the said requirement, the Company – Apar Industries Limited formulates the Policy on Materiality of Events and Its Disclosure to Stock Exchanges on the following lines.

II. Scope :

The listed entity shall ensure timely and accurate disclosure on all material matters including the financial situation, performance, ownership, and governance of the listed entity, in the following manner:

- (i) Information shall be prepared and disclosed in accordance with the prescribed standards of accounting, financial and non-financial disclosure.
- (ii) Channels for disseminating information shall provide for equal, timely and cost efficient access to relevant information by users.
- (iii) Minutes of the meeting shall be maintained explicitly recording dissenting opinions, if any.

III. Applicability and its Effective Date:

This policy applies to the Company being a Listed Company and becomes effective as on **December 01, 2015**.

IV. Disclosure of events or information covered by this Policy :

Every listed entity shall make disclosures of any events or information which, in the opinion of the board of directors of the listed company, is material.

Events specified in Para A of Part A of Schedule III of the Regulations are deemed to be material events and listed entity shall make disclosure of such events.

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

- A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):**

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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 72 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.
 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;

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

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 73 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 listed entity may make disclosures of event/information as specified by the Board from time to time.
- V. Authority to determine materiality of disclosures and submission to stock exchanges :**

The Board of Directors of the Company have nominated the following Key Managerial Personnel (KMPs) to determine either jointly and severally to determine materiality of disclosures and submission to stock exchanges as required under Regulation 30 of the new Listing Regulations.

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| 1. | Mr. Kushal N. Desai | - | Chief Executive Officer |
| 2. | Mr. V. C. Diwadkar | - | Chief Financial Officer |
| 3. | Mr. Sanjaya Kunder | - | Company Secretary |



APAR INDUSTRIES LTD.

CORPORATE OFFICE :
APAR HOUSE, CORPORATE PARK,
SION TROMBAY ROAD, CHEMBUR,
MUMBAI - 400 071. INDIA
T : (+91) (22) 2526 3400 / 6780 0400
F : (+91) (22) 2524 6326
E : corporate@apar.com
url : www.apar.com

SEC/1712/2015

By Hand Del.

17th December, 2015

National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051. Scrip Symbol : APARINDS <u>Kind Attn.: The Manager, Listing Dept.</u>	BSE Ltd. Department of Corporate Services, 27 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. Scrip Code : 532259 <u>Kind Attn. : Corporate Relationship Dept.</u>
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Sub. : Authorization under Regulation 30(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

We wish to inform the Exchanges that in compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors of the Company has adopted by Resolution dated 5th November, 2015 a Policy on Materiality of Events and its disclosures to the Stock Exchanges.

Further, pursuant to Regulation 30(5) of the said Listing Regulations, the Board has authorized the following Key Managerial Personnel (KMPs) to determine either jointly and severally the materiality of any event or information and to make appropriate disclosures to the Stock Exchanges.

The details of the KMPs are as mentioned here below :

Sr. No.	Name of KMPs	Designation	Contact Details
1.	Mr. Kushal N. Desai	Chief Executive Officer	Tel. No. : 022 – 25264300 Email : kushal.desai@apar.com
2.	Mr. V. C. Diwadkar	Chief Financial Officer	Tel. No. : 022 – 25261271 Email : vc.diwadkar@apar.com
3.	Mr. Sanjaya Kunder	Company Secretary	Tel. No. : 022 – 25263400 Email : sr.kunder@apar.com

The said details are also uploaded on the Company's website at www.apar.com

Thanking you,

Yours faithfully,
For Apar Industries Limited


(Sanjaya Kunder)
Company Secretary