TRANSPEK INDUSTRY LIMITED

POLICY FOR DETERMINING MATERIALITY OF EVENTS AND INFORMATION

DISCLOSURE REQUIREMENTS UNDER THE LISTING REGULATIONS:

Regulation 30 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) mandates that every listed entity shall make disclosure of material events or information to the Stock Exchanges.

Regulation 30 (8) of the Listing Regulations requires every listed company to also disclose on its website all the events and information which are disclosed to the Stock Exchanges in accordance with the Regulation 30 of the Listing Regulations.

The Listing Regulations divide the events/information that need to be disclosed broadly in two categories.

The first category of events / information are those events/information **that are deemed material** under the Regulations and have to be **mandatorily** disclosed to the Stock Exchange **without applying any test of materiality**.

The second category of events/information are those events/ information the disclosure of which is required to made to the Stock Exchanges, **if considered material** by the designated Key Managerial Personnel (KMPs) of the listed entity, as per the Policy framed by the Board of Directors based on **the criteria for materiality given in Regulation 30(4)(i)(a) & (b)**.

Under the Listing Regulations the Board of Directors is required to frame a policy based on the criteria for determining materiality of the events and information, given in Regulation 30(4) (i)(a) and (b).

The third category of events/information are where the criteria specified in sub-clauses (a) and (b) are not applicable, but in the opinion of the Board of Directors the event or information is considered material.

The Company's Board of Directors has approved this Policy on 3rd November, 2015 and has subsequently amended it on 8th February, 2022 and 8th August, 2023.

OBJECTIVE:

The Objective of this Policy is to lay down criteria for determining materiality of events and information set out in Para A and Para B of Part A of SCHEDULE III of the Listing Regulations.

CATEGORY OF EVENTS:

A. EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF GUIDELINES FOR MATERIALITY AS SPECIFIED IN SUB-REGULATION (4) OF REGULATION 30 (PARA A OF PART A OF SCHEDULE III) :

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertakings or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.

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, re-issue of forfeited securities, alteration of calls, redemption of securities

3. New Ratings or Revision in Rating(s).

4. Following outcome of meetings of the board of directors relating to :

    - declaration/recommendation/passing/dispatching/ paying of dividends and/or cash bonus any cancellation of dividend with reasons thereof;
    - the decision on buyback of securities;
    - the decision with respect to fund raising proposed to be undertaken;
    - increase in capital through bonus shares;
    - financial results;
    - decision on voluntary delisting by the listed entity from stock exchange(s);

    shall be intimated to the Stock Exchange within 30 minutes from the completion of the meeting of the Board of Directors.

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), agreements/treaties with media companies

which are binding and not in normal course of business, revision or amendment or termination thereof.

5A. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, Directors, KMP's, Employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with the 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 restrictions or create any liability upon the listed entity, shall be disclosed to the stock exchange(s), including disclosure of any rescission, amendment or alteration of such agreement thereto, whether or not, the listed entity is party to such agreements.

6. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of listed entity whether occurred within India or abroad.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Senior Management, Auditor and Compliance Officer.

7A. In case of resignation of auditor of the Company, detailed reasons for resignation, as given shall be disclosed by the Company to the stock exchange not later than 24 hours of receipt of such reasons from the auditor.

7B. In case of resignation of an Independent Director, following disclosures to be given in seven days :

- letter of resignation along with reasons for resignation
- Name of the listed entities in which the said director holds directorships indicating its category of directorship and membership of board committees
- Confirmation that there is no other material reason other than those provided.
- The confirmation as provided by the Independent Director above shall be disclosed to stock exchanges.

7C. In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director, the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.

7D. In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfill the requirements of the role in a regular manner for more than 45 days in any rolling period of 90 days, the same along with the reasons for such indisposition or unavailability shall be disclosed to the stock exchange.

8. Appointment or discontinuation of share transfer agent.

9. Resolution Plan/ restructuring in relation to loans/borrowings from banks/financial institutions including the following details:

   a. Decision to initiate resolution of loans/borrowings;
   b. Signing of inter creditors agreement by lenders;
   c. Finalization of resolution plan
   d. Implementation of resolution plan
   e. Salient features not involving commercial secrets, of the resolution/restructuring plan as decided by lenders.

10. One time settlement (OTS) with a Bank.

11. 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.

14. Amendments to memorandum and articles of association.

15. Schedule of analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

16. Events in relation to the Corporate Insolvency Resolution Process (CIRP) under the Insolvency Code.

17. Disclosure regarding Forensic Audit.

18. Announcement or communication through social media intermediaries or main stream media

19. Actions initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary with regards to search and seizure, re-opening of accounts as per Section 130 of the Companies Act and Rules and investigation under Chapter XIV of the Companies Act and relevant rules.

20. Actions taken or order passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary with regards to suspension, any fines or penalties, settlement of proceedings, debarment, disqualification, closure of operations, sanction imposed, warning or caution or any other similar action by whatever name called.

21. Voluntary revision of financial statements or Board's report of the Company under Section 131 of the Companies Act, 2013.

B. EVENTS TO BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY REFERRED IN SUB-REGULATION (4) OF REGULATION 30 (PARA B and C OF PART A OF SCHEDULE III):

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.

2. Any of the following events pertaining to the listed entity:

   a. Arrangements for strategic, technical, manufacturing, or marketing tie-up,
   b. adoption of new lines of business or
   c. 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) 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 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. Pendency of any Litigation(s) / dispute(s) / regulatory action(s) or the outcome thereof which may have an impact on the listed entity.

9. Fraud/defaults etc. by employees of listed entity which has or may have an impact on the 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.

13. Delay or default in payment of fines, penalties, dues etc. to any regulatory, statutory, enforcement or judicial authority.

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.

CRITERIA FOR DETERMINING MATERIALITY:

The Company shall make disclosure of events indicated in Para B and C of Part A of Schedule III and other events not indicated in Schedule III, if for determining the materiality of an event or information whose value or the expected impact in terms of value, exceeds the lower of the following, apply to them:

(a) 2% of turnover, as per the latest audited consolidated financial statements of the listed entity; or

(b) 2% of networth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of networth is negative; or

(c) 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidate financial statements of the listed entity;

D. Without prejudice to the generality of Para (A), Para (B) and Para (C) above, the listed entity may make disclosure of events/information as specified by the Board from time to time.

DESIGNATED KEY MANAGERIAL PERSONNEL

The Board of Directors designates the Managing Director, in his absence the Joint Managing Director to be the Designated KMPs severally authorizing them to determine materiality of an event or information for the purpose of making disclosure to the Stock Exchanges under this Policy framework. The Designated KMPs may consult the CFO, the Company Secretary and such other senior employees and consultants / advisors as they may deem fit while determining materiality of events / information.

The contact details of the Managing Director and the Joint Managing Director are as follows:

1. Mr. Bimal V. Mehta, Managing Director
   Tel: (0265) 6700300
   E-mail:**investorrelations@transpek.com**

2. Mr. Alak D. Vyas, Company Secretary & Compliance Officer
   Tel: (0265) 6700300
   E-mail: **investorrelations@transpek.com**