

SWASTIKA INVESTMART LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF INFORMATION OR EVENT

1. INTRODUCTION:

The Board of Directors (the “Board”) of Swastika Investmart Limited (the “Company”) has adopted this policy for determination of materiality of information or event for facilitating prompt disclosure of material price sensitive information to the stock exchange(s) (the “policy”)

This Policy has been prepared in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

2. OBJECTIVE:

The Company has to ensure prompt disclosure of material price sensitive information/ event to the stock exchange(s), where the securities of the Company are listed, so that present and potential investors are able to take informed decision relating to their investment in the Company and to avoid creation of false market in the securities of the Company. This Policy shall act as guidance for determining materiality of such price sensitive information.

3. DEFINITIONS:

The capitalized terms used in this Policy shall have the meaning ascribed to such terms in the Companies Act, 2013, rules made thereunder and the Listing Regulations (collectively, the ‘Statutory Provisions’), as the case may be.

4. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION:

The following factors shall be considered for determining materiality of any event/information:

- The omission of an event/ information which might result in discontinuity or alteration of information which is already in public domain; or
- The omission of event/ information which might result in significant market reaction, if the said omission come to light at a later date; or
- Any event/ information which directly or indirectly may materially affect the reputation of the Company; or
- Any event/ information, which if not disclosed promptly may lead to creation of false market in the securities of the Company; or
- whether the event/ information represents a significant shift in strategy and is an exit from, or entry into, a significant line of business; or
- Any other event/ information which is material in the opinion of Board of Directors of the Company.

5. DISCLOSURE OF EVENTS/ INFORMATION:

Disclosure to the Stock Exchanges

Events/ information which are specified in **Annexure 1** is deemed to be material events and the Company shall make disclosure of such events or information to the stock exchange(s), without application of guidelines for materiality as mentioned in clause 4 of this Policy.

The Company shall make disclosure of events/ information as specified in **Annexure II** of this Policy, if considered material after application of guidelines for determining materiality as given under Clause 4 of this Policy.

Apart from the events/information given under Annexure I and Annexure II of this Policy, any other material 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 holders of securities

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of the Company to appraise its position and to avoid the establishment of a false market in such securities, shall also be disclosed to the stock exchange(s).

6. TIME LIMIT FOR DISCLOSURES OF EVENT OR INFORMATION TO THE STOCK EXCHANGE:

The Company shall disclose to stock exchange all events, as specified in Part A of Schedule III of LODR Regulation, or information within twenty four (24) hours from the occurrence of such event/ information, the Company shall, along with such disclosure(s) provide an explanation for the delay.

Provided further that in case the disclosure is made after twenty four (24) hours of the occurrence of such event/ information, the Company shall, along with such disclosure(s) provide an explanation for the delay.

Disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III of LODR Regulation shall be made within 30 minutes from the conclusion of the Board Meeting.

7. DISCLOSURE ON COMPANY'S WEBSITE

All the events/information disclosed to the stock exchange(s) shall be uploaded on the Company's website for a minimum period of 5 years and thereafter as per Documents Preservation Policy of the Company, as disclosed on its website.

8. AUTHORITY:

The Key Managerial Personnel of the Company are severally authorised for determining materiality of event/ information as specified in Annexure II of this Policy and for disclosing such material events/information to the stock exchange(s).

9. REVIEW OF THE POLICY:

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the Statutory Provisions and remains effective.

This Policy shall be reviewed periodically and may be amended by the Board of Directors of the Company, as may be deemed necessary.

10. INTERPRETATION:

In case of any conflict between the provisions of this Policy and of Statutory Provisions, the Statutory Provisions shall prevail over this Policy. Any subsequent amendment/ modification in the Statutory Provisions shall automatically apply to this Policy. In case of any clarification required with respect to this Policy, kindly contact the Company Secretary of the Company.

This Policy shall be disclosed on the website of the Company i.e. www.swastika.co.in.

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Annexure 1

MATERIAL EVENTS/ INFORMATION TO BE MANDATORILY DISCLOSED TO THE STOCK EXCHANGE(S)

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.
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 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 Company 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 independent director 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) The letter of resignation along with detailed reasons for the resignation as given by the said director.

(ia) Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any

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- (ii) The independent director shall, along with the detailed reasons, also provide a confirmation that there are 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 disclosures as specified in sub - clause (i) & (ii) above.
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:
 - (i) Decision to initiate resolution of loans/borrowings;
 - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of Resolution Plan;
 - (iv) Implementation of Resolution Plan;
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders. 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 Company.
 13. Proceedings of Annual and extraordinary general meetings of the Company.
 14. Amendments to memorandum and articles of association of Company, in brief.
 - 15 (a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.
 - (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:
 - (i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
 - (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:
 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;

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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 personnel, 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

ANNEXURE II

LIST OF EVENTS/ INFORMATION TO BE DISCLOSED TO THE STOCK EXCHANGE(S), IF CONSIDERED MATERIAL.

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.

*****End*****