

AD-MANUM FINANCE LIMITED

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POLICY FOR DETERMINATION OF MATERIALITY

Under Regulation 30(4) of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 Regard with the Schedule III of the said Regulations

1. INTRODUCTION:

The Board of Directors (Board) of **Ad- Manum Finance Limited** (the Company) formulated this policy in accordance with the current guidelines laid down by Securities Exchange Board of India under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) , with respect to disclosure of material events and information that requires appropriate disclosure to the stock exchanges and timely update the same based on the amendments made to Regulation 30 and Schedule III of the LODR Regulations from time to time.

The Board shall review, and if found required, may amend this Policy from time to time.

2. OBJECTIVE:

The objective of this Policy is to assist the employees of the Company in identifying potential material events or information in an objective manner that may originate at the ground level which can be promptly escalated and reported to the authorized Key Managerial Personnel or other officers of the Company, as specified in this Policy, for determining the materiality of the said event or information and for making necessary disclosure to the BSE Limited and the National Stock Exchange of India Limited (collectively, the “Stock Exchanges”). All provisions of Regulation 30 read with Schedule III of the LODR Regulations shall hereby be deemed to be incorporated in this Policy, by reference.

News or details that may reasonably be expected to affect a company’s stock price and thus decisions that investors make about buying or selling the company’s stock. Material events may be the addition or loss of a large customer, falling or rising sales, a merger agreement, financial results above or below expectations, or a change in the company’s dividend policy.



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3. DEFINITIONS:

I. **Act:** Means the Companies Act, 2013

II. **Board of Directors:** means Board of Directors of Ad- Manum Finance Limited

III. **The Company:** means Ad- Manum Finance Limited

IV. **LODR Regulation:** means SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

V. **Compliance Officer:** means The Officer appointed by the Board of Directors of the Company for the purpose of these regulations from time to time.

VI. **SEBI:** means The Securities Exchange Board of India

VII. **Rules:** means Rules made under the Companies Act, 2013.

VIII. **Regulation:** means Regulations made under the SEBI Act.

IX. **Material Event:** means Reasonably be expected to affect a company's stock price

X. **Stock Exchange:** means BSE Limited, where the equity shares of the Company are listed

XI. **BSE Limited** Means Key Managerial Personnel as defined under sub-section (51) of section 2 of Companies Act, 2013

XII. **Net worth:** Shall have the meaning assigned to it in Section 2(57) of the Act

XIII. **P BSE Limited:** Means this policy, as amended from time to time.

XV. **Turnover:** Shall have the meaning assigned to it in Section 2(91) of the Act.

All other words and expressions used but not defined in this Policy, shall have the same meaning as assigned to it under the LODR Regulations, the Act, the SEBI Act, 1992 ("**SEBI Act**") and the Securities Contracts (Regulation) Act, 1956 ("**SCRA**").

4. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION:

The Company shall consider the following criteria for determination of materiality of events/ 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.



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(c) the omission of an event or information, whose value or the expected impact in terms of value, ***exceeds the lower of the following:***

- 1) 2% (two percent) of turnover, as per the last audited consolidated financial statements of the Company.
- 2) 2% (two percent) of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative.
- 3) 5% (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 Company.

(d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company, the event or information is considered material:

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the Company within thirty days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.]

Provided further that the policy for determination of materiality will assist the relevant employees of the Company in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, in terms of sub-regulation (5), for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).

5. TIME LIMIT FOR DISCLOSURE OF EVENT OR INFORMATION TO THE STOCK EXCHANGE:

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case ***not later than the following:***



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(i) 30 (thirty) minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken.

(ii) 12 (twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;

(iii) 24 (twenty-four) hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines:

Provided further that if the disclosure is made after the timelines specified under this regulation, the Company shall, along with such disclosure, provide the explanation for the delay.

6. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS, THE COMPANY SHALL MAKE DISCLOSURE OF SUCH EVENTS:

The Company shall disclose all such material events which are specified in Para A of Part A of Schedule III of the LODR Regulation.

The Following shall be events upon occurrence of which company shall make disclosure to BSE **without** any application of the guidelines for materiality as specified in Regulation 30(4):

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 Company 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. New Rating(s) or Revision in Rating(s).



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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 Board 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 Company from stock exchange(s).
 5. Agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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.
- (5A) Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a 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 Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements;



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Provided that such agreements entered into by a Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of these regulations.

6. Fraud/defaults by promoter or key managerial personnel or by Company 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 Company, 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 Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:
 - i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges.
 - ii. The independent director shall, along with the detailed reasons, also provide 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 Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
 - 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



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with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the Company within seven days from the date that such resignation comes into effect.

- 7D. In case the Managing Director or Chief Executive Officer of the Company was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty-five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
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.
10. One-time settlement 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 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 Company to analysts or institutional investors. For the purpose of this clause 'meet' shall



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mean group meetings or group conference calls conducted physically or through digital means.

(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:

The requirement for disclosure(s) of audio/video recordings and transcript shall be voluntary with effect from April 01, 2021, and mandatory with effect from April 01, 2022.

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;



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- 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.



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- 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 Company:
- 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 Company along with comments of the management, if any.
18. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a Company, in relation to any event or information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company.
19. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:
- (a) search or seizure; or
 - (b) re-opening of accounts under section 130 of the Companies Act, 2013; or
 - (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:
 - i. name of the authority;



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- ii. nature and details of the action(s) taken, initiated or order(s) passed;
 - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
 - iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
 - v. impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.
20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:
- (a) suspension;
 - (b) imposition of fine or penalty;
 - (c) settlement of proceedings;
 - (d) debarment;
 - (e) disqualification;
 - (f) closure of operations;
 - (g) sanctions imposed;
 - (h) warning or caution; or
 - (i) any other similar action(s) by whatever name called; along with the following details pertaining to the actions(s) initiated, taken or orders passed:
 - i. name of the authority;
 - ii. nature and details of the action(s) taken, initiated or order(s) passed;
 - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
 - iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
 - v. impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.
21. Voluntary revision of financial statements or the report of the Board of Directors of the Company under Section 131 of the Companies Act, 2013.



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7. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES:

The Company shall disclose all such material events specified in para-B of part A of Schedule III of the LODR Regulation subject to application of guidelines for materiality.

The Following shall be events upon occurrence of which company shall make disclosure to BSE subject to application of the guidelines for materiality as specified in sub-regulation (3) of regulation 30: -

- I. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.**
- II. Any of the following events pertaining to the Company:**
 - arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - adoption of new line(s) of business; or
 - closure of operation of any unit, division, or subsidiary (in entirety or in piecemeal)
- III. Capacity addition or product launch.**
- IV. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/ contracts not in the normal course of business.**
- V. 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.**
- VI. 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.**
- VII. Effect(s) arising out of change in the regulatory framework applicable to the Company.**



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- VIII. **Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.**
 - IX. **Fraud/defaults etc. by employees of the Company which has or may have an impact on the Company.**
 - X. **Options to purchase securities including any ESOP/ESPS Scheme.**
 - XI. **Giving of guarantees or indemnity or becoming a surety for any third party.**
 - XII. **Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.**
 - XIII. **Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.**
8. **ANY OTHER INFORMATION/EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY:**

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 of the Company to appraise its position and to avoid the establishment of a false market in such securities.

9. **AUTHORIZE KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE:**

The following KMPs are 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:-

1. Mr. Dharmendra Agrawal, Whole-Time-Director
2. Ms. Neha Singh, Company Secretary & Compliance Officer



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The Disclosure Committee may also, as a collective, consult the Chairman or any other Director of the Company while assessing the materiality of an event or information, and for evaluating whether the event/ information requires a Stock Exchange Disclosure.

Details of the above referred KMPs and officers shall be also disclosed to the Stock Exchange(s) and as well as on the Company's website.

10. DISCLOSURES ON COMPANY'S WEBSITE AND DISCLOSURES PRESERVATION PERIOD.

The Company shall disclose on its website all such events or information which has been disclosed to stock exchange under this policy, and such disclosures shall be hosted on the website of the company for a minimum period of five years and thereafter as per the Documents Preservation Policy of the Company, as disclosed on its website.

11. REVIEW OF THE POLICY:

The Board of directors of the company shall review the policy on annual basis. The authorized person shall provide regular assurance to board of directors on the effectiveness of the Policy.

[Last Amended: 01.08.2023]

*****End*****

