



Permanent Magnets Ltd.

Policy on Determination of Material Events Permanent Magnets Limited

POLICY ON DETERMINATION OF MATERIAL EVENTS

1. INTRODUCTION

In accordance with the Regulation 30(4)(ii) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015("LODR"), Permanent Magnets Limited ('Company') has formulated this Determination of Materiality Events/ Information Policy ('Policy').

2. OBJECTIVE

The objective of this Policy is to ensure disclosure to the Stock Exchanges of any Event or Information, which in the opinion of the Board of Directors is Material based on criteria specified under clause (i) of Sub-Regulation (4) of Regulation 30 of the Listing Regulations. Further, the Company finds it prudent to keep the shareholders well informed about any event/ information which are essential to safeguard and protect their interest as shareholders of the Company.

3. MATERIAL EVENTS OR INFORMATION TO BE DISCLOSED TO THE STOCK EXCHANGE(S)

A. The following events or information shall be deemed to be material events or information and disclosure thereof shall be made within 24 hours of occurrence:

I. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit, undertakings, division or subsidiary of the Company or any other restructuring.

For the purpose, the word 'acquisition' shall mean,-

a) acquiring control, whether directly or indirectly; or,
b) acquiring or agreeing to acquire shares or voting rights in a company, whether directly or indirectly, such that –

i. 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;
ii. there has been a change in holding from the last disclosure made under sub clause (a) of clause (ii) above and such change exceeds two per cent of the total shareholding or voting rights in the said company.

II. 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.

III. Revision in Rating(s).

IV. Agreements (viz. shareholder agreement(s), joint venture 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.

V. Fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.

VI. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary) Auditors and Compliance Officer.

VII. Appointment or discontinuation of share transfer agent.

VII (A) 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.

VII (B) 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.”

VIII. Corporate debt restructuring.

IX. One time settlement with a bank.

X. Reference to BIFR and winding-up petition filed by any party / creditors.

XI. 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.

XII. Proceedings of Annual and extraordinary general meetings of the listed entity.

XIII. Amendments to Memorandum and Articles of association of the Company, in brief.

XIV. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;

XV. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

- i) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- ii) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- iii) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
- iv) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- v) 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;
- vi) Appointment/ Replacement of the Resolution Professional;
- vii) Prior or post-facto intimation of the meetings of Committee of Creditors;
- viii) 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;
- ix) Number of resolution plans received by Resolution Professional;
- x) Filing of resolution plan with the Tribunal;
- xi) Approval of resolution plan by the Tribunal or rejection, if applicable;
- xii) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- xiii) Any other material information not involving commercial secrets

B. Outcome of the Board Meeting to consider the followings shall be disclosed to the Stock Exchanges, within 30 minutes of the closure of the Meeting:

- 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).

C. The following events / information shall be material events/ information, based on the Guidelines of Materiality and disclosure thereof shall be made within 24 hours of occurrence:

- a) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division of the Company.
- b) 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) of the Company.
- c) Capacity addition or product launch, if any.
- d) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- e) 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.
- f) 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.
- g) Effect(s) arising out of change in the regulatory framework applicable to the Company.
- h) Litigation(s) / dispute(s) / regulatory action(s) with impact.
- i) Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of the Company.
- j) Details of grant, vesting and exercise of Stock Options to purchase securities including any ESOP/ESPS Scheme.
- k) Giving of guarantees or indemnity or becoming a surety for any third party.
- l) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

D. Disclosure of any other Event or Information viz. major development that is likely to affect the Business of the Company shall be disclosed as soon as reasonably possible and not later than 24 hours after the same has occurred or identified by the Company Events or Information that may include but not restricted to –

- a) Emergence of new technologies;
- b) Expiry of Patents;
- c) Any change of accounting Policy that may have a significant impact on the Accounts, etc. and brief details thereof;
- d) Any other information which is exclusively known to the Company and needs disclosure to enable the shareholders to appraise the Company's position.
- e) Any material Event/Information related to the Subsidiary of the Company.
- f) Any other event which, in view of the Board, is material.

4. OTHERS

In case an event occurs or any information becomes available with the Listed Entity, which has not been covered under Para A or Para B of Part A of Schedule III to the Listing Regulations, but which may have a material effect on the Listed Entity, the Listed Entity shall make adequate disclosures in respect thereof.

The Managing Director, Chief Financial Officer and Company Secretary of the Company are the Key Managerial Personnel authorised by the Company pursuant to Regulation 30(6) of the Listing Regulations for the purpose of determining the materiality of an event or information and for making disclosures to the Stock Exchanges under the Listing Regulations.

5. AMENDMENT

The Company reserves the right to amend or modify this Policy in whole or part, in accordance with any regulatory amendment or notification or otherwise, at any time without assigning any reason whatsoever. Any such amended Policy will be accordingly updated on the website of the Company.