



ASPIRA PATHLAB & DIAGNOSTICS LIMITED
CIN: L85100MH1973PLC289209

POLICY ON DETERMINATION OF MATERIALITY OF INFORMATION

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. OBJECTIVE

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulation, 2023

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

2. DEFINITION

“**Act**” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“**Board of Directors**” or “**Board**” means the Board of Directors of Aspira Pathlab & Diagnostics Limited, as constituted from time to time.

“**Company**” means Aspira Pathlab & Diagnostics Limited.

“**Key Managerial Personnel**” mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.

“**Material Event**” or “**Material Information**” means The events as specified in Para A of Part A of Schedule III of the said Regulations (as may be amended from time to time) shall be disclosed as soon as reasonably possible and not later than.

1) 24 hours: if the event which has occurred does not emanate from the listed company.

2) 12 hours: if the event emanates from listed company.

3) 30 minutes: from board meeting if the event is due to a decision of the Board of Directors.

“**Subsidiary**” shall mean any subsidiary company of the Company which is or has been determined as a subsidiary as per the provisions of the Act.

“**Policy**” means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

“**Regulations**” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof

3. MATERIALITY EVENTS OR INFORMATION

Events / information shall be considered as Material if it meets any of the following criteria:

- (a) have an impact of 10% or more on the gross turnover or revenues or total income or 30% of the net worth, whichever is lower, as per the last accounts of the Company; or
- (b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- (c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - two percent of turnover, as per the last audited financial statements of the listed entity
 - two percent of net worth, as per the last audited financial statements of the listed entity, except in case the arithmetic value of the net worth is negative
 - five percent of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of the listed entity
- (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 listed entity, the event or information is considered material:

4. DISCLOSURES OF EVENTS OR INFORMATION SUBJECT TO SATISFACTION OF CERTAIN CONDITIONS

- (a) The events or information specified in Para B of Part A of Schedule III of the Regulations will be disclosed based on application of materiality criteria, as per Annexure I of this Policy.
- (b) Materiality must be determined on a case to case basis considering the material facts and the circumstances pertaining to the information or event. The same would be determined based on the qualitative judgement to be exercised by the any two of the Key Managerial Personnel.
- (c) The following criteria will be applicable for determination of materiality of event or information:
 - (i) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - two percent of turnover, as per the last audited standalone financial statements of the listed entity
 - two percent of net worth, as per the last audited standalone financial statements of the listed entity, except in case the arithmetic value of the net worth is negative

- five percent of the average of absolute value of profit or loss after tax, as per the last three audited standalone financial statements of the listed entity
- (ii) Any event or information having a significant risk to the reputation of the Company.
- (iii) In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed though not required to be statutorily intimated.
- (iv) The quantitative criteria as indicated in Annexure I, shall apply to events
- (v) specified in Para B of Part A of Schedule III of the said Regulations only and shall be used as a guiding principle for determining materiality and arriving at the overall decision on the event to be reported by the Key Managerial Personnel.
- (vi) Only such impact which is direct, reasonably quantifiable & perceivable and not remote, shall be considered.

5. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Executive Director and Chief Financial Officer of the Company shall have the authority to determine Materiality of any event or information and for the purpose of ensuring disclosures are made to stock exchange(s), subject to the provisions of this Policy.

The contact details of Executive Director and Chief Financial Officer shall be disclosed and updated from time to time to the stock exchange(s) and as well as maintained on the Company's website.

6. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

7. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy; Companies Act, 2013; Regulations or any other statutory enactments, rules, the provisions of such Regulations/ Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

8. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company.

Annexure A

A. Events which shall be disclosed without any application of the guidelines for Materiality:

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

Explanation- 'Acquisition' shall mean,

- (i) acquiring control, whether directly or indirectly; or,
- (ii) acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
 - 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
 - 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-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or
 - the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.
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 credit 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 Company 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 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 listed entity or of its holding or associate company, among themselves or with the listed entity 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 listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:
6. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or arrest of key managerial personnel, senior management, promoter or director of the 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 the auditor of the listed entity, detailed reasons for the resignation of auditor, as given by the said auditor shall be disclosed by the Company to the stock exchange as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor
- 7B. 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. Resignation letter alongwith the detailed reasons for the resignation of independent directors as given by the said director shall be disclosed to the stock exchanges.
 - ii. Names of listed entities in which the resigning Director holds directorship, indicating the category of directorship and membership of Board Committees, if any
 - iii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iv. 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.
- 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 the 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 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 Analyst or institutional investor meet and presentations atleast two working days in advance (excluding the date of intimation and date of the meet);

(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 of listed entity for a minimum period of five 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
- 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;
 - Pre and Post net-worth of the company
 - Details of assets of the company post CIRP
 - Details of securities continuing to be imposed on the companies' assets
 - Other material liabilities imposed on the company
 - Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities
 - Details of funds infused in the company, creditors paid-off;
 - Additional liability on the incoming investors due to the transaction, source of such funding etc.
 - Impact on the investor – revised P/E, RONW ratios etc.
 - 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;
 - 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. Intimation of Forensic Audit
- The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available
 - 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 listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.
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, in relation to the listed entity, 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:
 - name of the authority;
 - nature and details of the action(s) taken, initiated or order(s) passed;
 - date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
 - details of the violation(s)/contravention(s) committed or alleged to be committed;
 - impact on financial, operation or other activities of the listed entity, 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 listed entity or its directors, key managerial personnel, senior management, promoter, in relation to the listed entity, 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

Annexure B

B. Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;
 2. Any of the events pertaining to the 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) 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. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company;
 9. Fraud or defaults by employees of the Company which has or may have an impact on the Company;
 10. Options to purchase securities including any ESOP/ESPS Scheme;
 11. Giving of guarantees or indemnity or becoming a surety by whatever name called for any third party;
 12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;
 13. Delay or default in the 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 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.
- D. Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.