

# APSIS AEROCOM LIMITED

CIN: U29309KA2022PLC164926

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## MATERIAL POLICY

|                |   |            |
|----------------|---|------------|
| Effective date | : | 25/08/2025 |
|----------------|---|------------|

## **MATERIALITY POLICIES**

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### **INTRODUCTION**

This policy (“**Policy**”) has been formulated to define the materiality policy for identification of group companies, litigation, and outstanding dues of creditors in respect of APSIS AEROCOM LIMITED (“**Company**”) for the purposes of disclosure in the Offer Document (*defined hereinbelow*) pursuant to the requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (as amended from time to time) (“**SEBI ICDR Regulations**”).

This policy shall be effective from the date of its approval i.e. 25.08.2025 By the board of directors of the company (“**Board**”)

### **Identification of ‘Material’ Group Companies:**

#### *Requirement:*

As per the requirements of the SEBI ICDR Regulations, “**Group Companies**”, wherever this term occurs, shall include:

- (i) all companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions (as covered under the applicable accounting standards), during the year for which financial information is disclosed in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus issued by the Company in accordance with the provisions of the SEBI ICDR Regulations for the Initial Public Offering of its equity shares (“**Offer Documents**”); and
- (ii) any other companies as considered material by the board of directors (“**Board**”).

The policy on materiality for determination of such companies as considered material by the Board, as mentioned herein below, shall be disclosed in the Offer Documents.

#### ***Policy on materiality:***

With respect to point (ii) above, for the purpose of disclosure in the Offer Documents, a company (other than the companies covered under the schedule of related party transactions) shall be considered ‘material’ and will be disclosed as a ‘Group Company’ in the Offer Documents if it is a part of the promoter group (in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations) with which there were one or more transactions during the most recent completed financial year i.e. March 31, 2025 in the restated financial statements of the Company included in the Offer Documents, which individually, exceed 10% (ten per cent) of the total restated revenues of the Company as per the restated financial statements of the Company for the most recent completed financial year i.e. March 31, 2025 included in the Offer Documents.

Based on the above policy of materiality and SEBI ICDR Regulations requirement, Our company has not identified any companies as our Group Company:

For the avoidance of doubt, it is clarified that the above policy on materiality shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/or such other applicable authority with respect to listed companies and that the above policy on materiality is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose.”

**Identification of ‘Material’ Litigation (excluding criminal proceeding, statutory/regulatory actions and taxation matters):**

*Requirement:*

As per the requirements of SEBI ICDR Regulations, the Company shall disclose all the litigations involving the Company/its directors/promoters/subsidiaries (“**Relevant Parties**”) in relation to:

- (i) All criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court, and any notices received for such criminal proceedings);
- (ii) All actions by statutory/regulatory authorities;
- (iii) disciplinary actions including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years preceding the date of the relevant Offer Document, including outstanding action;
- (iv) taxation separate disclosures regarding claims related to direct and indirect taxes, in a consolidated manner giving details of number of cases and total amount;
- (v) Other pending litigations as per the policy of materiality defined by the Board of the Company and disclosed in the Offer Documents.

and

- (vi) all criminal proceedings involving key managerial personnel and senior management of the Company;
- (vii) actions by regulatory authorities and statutory authorities against such key managerial personnel and senior management of the Company.

and

- (viii) Further, as per the requirements of the SEBI ICDR Regulations, the Company shall also disclose such outstanding litigations involving the group companies which may have a material impact on the Company

***Policy on materiality:***

For the purpose of point (v) above, any other pending litigation involving the Relevant Parties shall be considered “material” for the purpose of disclosure in the Offer Documents if-

1. the potential financial liability/monetary claim by or against the Relevant Parties in any such pending proceeding (including civil and arbitration proceedings) exceeds the lower of the following:
  - (i) 2% (two per cent) of turnover, as per the latest annual restated financial statements of the Company i.e. March 31, 2025 is Rs 40.98 Lakhs or
  - (ii) 2% (two per cent) of net worth, as per the latest annual Restated Financial Statement of the company i.e. March 31, 2025, except in case the arithmetic value of the net worth is negative is Rs 21.13 Lakhs or
  - (iii) 5% (five per cent) of the average of absolute value of profit or loss after tax, as per the last three annual Restated Financial Statement of the company i.e. March 31, 2025, March 31, 2024 and March 31, 2023 is Rs 17.03 Lakhs

**(“Litigation Materiality Threshold”)**
2. The monetary liability is not quantifiable, or the amount involved does not cross the Litigation Materiality Threshold, but the outcome of any such proceeding (including any proceedings relating to infringement of trademark or intellectual property) may have a material adverse bearing on the business, operations, performance, prospects or reputation of the Company.

Any pending litigation (including civil litigations or arbitration proceedings) involving the group companies, as identified in accordance with provisions of SEBI ICDR Regulations, would be considered to have a ‘material impact’ on the Company for the purpose of disclosure in the Offer Documents, if an adverse outcome from such pending litigation would materially and adversely affect the business, operations, cash flows, performance, prospects, financial position or reputation of the Company.

The above policy on materiality shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/or such other governmental authority with respect to listed companies and that the above policy on materiality is solely from the prospective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose.

The above policy on materiality shall be without prejudice to the disclosure requirements prescribed under the Companies Act, 2013 and the rules thereunder with respect to disclosure of litigation, notices, disputes, and other proceedings in the Offer Documents.”

#### **Identification of ‘Material’ Creditors:**

##### *Requirement:*

As per the requirements of SEBI ICDR Regulations, the Company shall make relevant disclosures in the Offer Documents for outstanding dues to creditors:

- (i) based on the policy on materiality of the Board and as disclosed in the Offer Documents, disclosure for such creditors;

- (ii) Information on outstanding dues to small scale undertakings and other creditors, separately giving details of number of cases and amount involved;
- (iii) complete details about outstanding dues to creditors as per (i) and (ii) above shall be disclosed on the webpage of the company with a web link thereto in the Offer Documents.

***Policy on materiality:***

The Company shall make relevant disclosures in the Offer Document for such creditors as referred hereunder:

In accordance with our Company's materiality policy, creditors to whom an amount due is equal to or exceeds 5% of the total trade payables of the company during the last completed financial year i.e. March 31, 2025 as disclosed in the Restated Financial Statements were considered 'material' creditors.

As per Restated Financial Statements, the total trade payables of our Company as on March 31, 2025 were Rs 295.21 Lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs 14.76 Lakhs as on March 31, 2025. As on March 31, 2025, there are seven creditors to each of whom our Company owes amounts exceeding 5% of our Company's total trade payables and the aggregate outstanding dues to them being Rs 226.68 Lakhs.

As per the above materiality policy, the outstanding amount owned to Micro, Small and Medium Enterprises (MSME), creditors other than MSME and material creditors as on March 31, 2025, by our Company is as follows:

*(Rs. in Lakhs)*

| <b>Particulars</b>                                              | <b>Number of Cases</b> | <b>Outstanding balance as on March 31, 2025</b> |
|-----------------------------------------------------------------|------------------------|-------------------------------------------------|
| Total Outstanding dues to Micro and Small & Medium Enterprises* | 61                     | 60.76                                           |
| Total Outstanding dues to Other Creditors                       | 28                     | 234.45                                          |
| Total Outstanding dues to Material Creditors**                  | 7                      | 226.68                                          |

*\*Entities that are identified as "Micro, Small and Medium Enterprises" (MSME) under the Restated Financial Statements as on March 31, 2025 are considered as micro, small and medium enterprises.*

*\*\* The material creditors include the creditors falling under the category of MSME and creditors other than MSME. Hence, this amount forms part of the amounts due to MSME creditors and other than MSME creditors.*

*The details pertaining to amounts due towards material creditors are available on the website of our company at [www.apsisaerocom.com](http://www.apsisaerocom.com)*



## **General**

It is clarified that the Policy is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose.

The Policy shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/ or such other regulatory, judicial, quasi-judicial, governmental, administrative or statutory authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the Offer Documents, or disclosures that may arise from any investor or other complaints.

All other capitalised terms not specifically defined in this Policy shall have the same meanings ascribed to such terms in the Offer Documents.

The Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time.

**For Apsis Aerocom Limited**



**Mihir Kumar Pradhan**  
**Chairman and Executive Director**  
**DIN: 09704695**