

# VIPUL LIMITED

## Policy for determination of materiality

This revised policy for determination of materiality (the “Policy”) was framed in accordance with Clause 30 of the SEBI (Listing Obligations and Disclosures Requirements (Regulations), 2015 & schedules thereto, duly approved by the Board of Directors of the Company in its meeting held on February 14, 2022. This revised policy will be effective from April 01, 2022.

### PURPOSE

This policy is framed for determination of materiality, based on criteria specified hereunder, duly approved by its board of directors.

### 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;

(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

### DISCLOSURE OF EVENTS

The events that have to be disclosed are divided in two parts as provided in Schedule III of the Listing Regulation.

- **Events that have to be necessarily disclosed without applying any test of materiality (as indicated in Para A of Part A of Schedule III of the Listing Regulation).**
- 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;

- 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.;
- Revision in Rating(s) ;
- Outcome of meetings of the board of directors within 30 minutes of the closure of the meeting. The intimation of outcome of meeting of the board of directors shall also contain the time of commencement and conclusion of the meeting;
- 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;
- Fraud/ Defaults by promoter or key managerial personnel or by the listed entity or arrest of key managerial personnel or promoter;
- Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer;
- 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.
- 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.
  - 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 disclosures as specified in sub-clause (i) [and (ii)] above.]

- Appointment or discontinuation of share transfer agent;
- 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.;
- One-time settlement (OTS) with a Bank;
- Reference to BIFR and winding-up petition filed by any party / creditors;
- 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 Company with such other details as prescribed thereunder;
- Proceedings of annual and extraordinary general meetings of the Company and the other prescribed details in brief;
- Amendments to memorandum and articles of association of listed entity, in brief;
- (a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.  
Explanation: For the purpose of this clause 'meet' shall 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 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:
    - (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.
  - 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.
- 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.

➤ **Events that have to be disclosed, if considered material (as indicated in Para B of Part A of Schedule III of the Listing Regulation).**

- Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;
- Change in the general character or nature of business brought about by: Arrangements for strategic, technical, manufacturing, or marketing tie-up; Adoption of new line(s) of business; Closure of operations of any unit/division - (entirety or piecemeal);
- Capacity addition or product launch;
- Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts, not in the normal course of business; Awarding of order(s)/contract(s) ; Bagging/Receiving of orders/contracts; Amendment or termination of orders/contracts;
- Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof;
- Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
- Effect(s) arising out of change in the regulatory framework applicable to the listed entity;
- Litigation(s) / dispute(s) / regulatory action(s) with impact;
- Frauds/ defaults by directors (other than key managerial personnel) or employees of the listed entity;
- Options to purchase securities (including any Share Based Employee Benefit (SBEB) Scheme);
- Giving of guarantees or indemnity or becoming a surety for any third party;

- Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals:
- **All events or information with respect to subsidiaries which are material for the Company;**
- **The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.**

As required under Listing Regulations, the Board of Directors of the Company have authorized the Managing Director and/or Chief Executive Officer of the Company to determine the materiality of an event or information and the contact details of such personnel shall be also disclosed to the stock exchange(s) and as well as on the listed entity's website.

*The Company will also consider the Guidance note as provided in the Listing regulations for determining when and event/information has occurred,*

The Company will first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information and if the disclosure is made after twenty four hours of occurrence of the event or information, the Company shall, also provide explanation for delay:

The disclosures referred above will be updated on a regular basis, till such time the event is resolved/closed, with relevant explanations.

**The Company will also disclose on its website all such events or information which has been disclosed to stock exchange(s) and such disclosures shall be hosted on the website of for a minimum period of five years and thereafter as per the archival policy, as disclosed on its website.**

## **DISCLOSURE OF THE POLICY**

This Policy shall be uploaded on the Company's website for public information and a web link for the same shall also be provided in the Annual Report of the Company.

## **REVIEW OF THE POLICY**

The Board will review this Policy and make revisions as may be required from time to time.