

POLICY FOR DETERMINATION OF MATERIALITY

BACKGROUND

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “The Listing Regulations”), **V Marc India Limited** (hereinafter referred to as ‘Company’) has formulated this policy (‘Policy’) for determination of materiality of certain events/ information or price sensitivity of certain events/ information for appropriate disclosures as required thereunder. This policy inter alia provides for methodology for determining an event or information to be categorized as Material/ price sensitive which would then be required to be intimated to Stock Exchanges where the shares of the Company are listed.

NAME AND SCOPE OF THE POLICY

- a) This policy shall be called the “Policy on Determination of Material Events” (“Policy”)
- b) Board of the Company shall be the authority to approve adopt and modify this policy
- c) This Policy

outlines the basis for determining ‘Materiality of an Event and/or Information’, for making disclosures under Regulation 30 of the Listing Regulations

OBJECTIVE

The objectives of this policy are as follows:

- a) To determine the materiality of an event based on the criteria specified under Regulation 30(4) of the Listing Regulations that qualifies for disclosures under Regulation 30 or to determine price sensitive information in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
- b) To decide appropriate time when the above-mentioned disclosures shall be made to the stock exchanges based on the guidance provided in the SEBI circulars issued from time to time;
- c) To decide the details of disclosures to be made that is in the best interest of the present and potential investors based on the guidance provided in the SEBI circulars issued from time to time;
- d) Roles and Responsibility of all stakeholders for facilitating the determination of material events and communication to the stock exchanges;
- e) To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation; and
- f) To protect the confidentiality of Material/Price sensitive information within the context of Company’s disclosure obligations.

MATERIAL EVENTS

The Listing Regulations divide the events that need to be disclosed broadly in two categories:

1. The events that have to be necessarily disclosed without applying any test of materiality are indicated in Para A of Part A of Schedule III of the Listing Regulations. (As given in the Listing Regulations and as amended from time to time).
2. Para B of Part A of Schedule III of the Listing Regulations indicates the events that should be disclosed by the listed entity, if considered material/ price sensitive. (As given in the Listing Regulations and as amended from time to time).

As per Regulation 30(3) of the Listing Regulations, the Company shall make disclosure of events specified in Para B, based on application of the guidelines for materiality, as specified in Regulation 30(4), as follows:

- 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 MD&CEO, the event/ information is considered material.

In view of the sub-clause 'c' above, as an internal guideline, for determination of a particular transaction/event or the amounts involved in the transaction as "material", the following shall be the guiding factors for the same although the list is not exhaustive:

- The Company shall be guided by the impact and materiality of such events on reputation or normal functioning of the Company or events likely to affect business of the Company or events which may not be material but are p
- rice sensitive in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, and any other information which is exclusively known to the Company which may be necessary to enable the shareholders of the Company appraise its position and to avoid the establishment of a false market in Company's securities, would be disclosed to the stock exchanges as advised by the Material Events Evaluation Committee ("MEEC") from time to time; OR
- The particular transaction/event having an impact on the profitability of the Company by 5% or more of the Profit Before Tax (PBT) of the immediately preceding financial year.

COMPETENT AUTHORITY FOR MAKING DISCLOSURES & ITS PROCESS

The following Key Managerial Persons shall, having regard to the provisions of Regulation 30 of the Listing Regulations, as may be in force from time to time, read with guidance, circular and other supplementary text issued thereupon, shall, take a view on materiality of an event/ information qualifying for disclosure under clause 30 of the Listing Regulations, decide the appropriate time at which such disclosure is to be filed with Exchange and details that may be filed in the best interest of present and potential investors :-

1. Chief Compliance Officer

2. Head – Legal
3. Chief Financial Officer (CFO)
4. Company Secretary (CS)

The contact details of all the above KMPs shall be also disclosed to the stock exchange(s) and as well as on the website of the Company.

DISCLOSURE CONSIDERATIONS AND TIMELINES

The Company shall necessarily disclose the events which are indicated in Para A of Part A of Schedule III of the Listing Regulations without applying any test of materiality.

Events which are indicated in Para B of Part A of Schedule III are the events that the Company shall disclose, if considered material. Additionally, in case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III, but as per the judgement of authorised KMPs, which may have material effect on it, the Company shall make adequate disclosures in regard thereof.

While making disclosures, the Company shall have regard to Annexure-I of the circular dated September 9, 2015 issued by SEBI which indicates the details that need to be provided while disclosing events given in Para A and Para B of Schedule III.

The Company shall make disclosure of all events as specified in Part A of Schedule III as soon as reasonably possible and not later than 24 hours from the occurrence of event or information. However, in exceptional circumstances, in case the disclosure happens to be made beyond 24 hours, the Company shall provide explanation for delay.

Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within 30 minutes of the conclusion of the board meeting.

In order to decide when an event / information can be said to have occurred, the Company shall have regard to the guidelines indicated in Annexure II of the Circular dated 9 September, 2015 issued by SEBI in this regard.

The Company shall, with respect to disclosures made by it, make further disclosures updating material developments on a regular basis, till such time the event is resolved/ closed, with relevant explanations.

DISCLOSURE ON WEBSITE

All disclosures of material events/ information, as are made to the stock exchanges, shall also be disclosed on the website of the Company <https://v-marc.com> and such disclosures shall be hosted on the website for a minimum period of 5 years.

After 5 years, the disclosure shall be archived and remain so for a further period of 3 years thereby having a life of 8 years on the Company website.

GENERAL

Regulation 30 of the Listing Regulations, Part A of Schedule III of the Listing Regulations and the Guidance issued by way of circular dated 9 September, 2015 form an integral part of this Policy and are annexed herewith to facilitate comprehension of the Policy.

Any or all provisions of this Policy would be subject to the revision/ amendment to the Listing Regulations or related circular, notification, guidance notes issued by SEBI or relevant authority, on the subject from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Board of Directors or any of its Committees.
