



## ***VECTUS INDUSTRIES LIMITED***

*Policy for determining materiality of any event  
or information*



## **Introduction**

In order to enable investors to make well-informed investment decisions, timely, adequate and accurate disclosure of information on an ongoing basis is essential. In this regard, the Securities and Exchange Board of India (“SEBI”) has formulated the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Regulations”). These regulations came into force with effect from December 1, 2015 and the same have been made applicable to all companies whose securities are listed on Indian stock exchanges.

Pursuant to regulation 30(4)(ii) of the Regulations, Vectus Industries Limited (“Company”) is required to formulate a Policy for determining materiality of events and information (“Policy”) which shall be approved by the board of directors of the Company for disclosure to the stock exchanges under the Regulations.

## **Objective**

The objective of this Policy is:

- (a) to ensure disclosure of any event or information which, pursuant to the regulations or this policy is material,
- (b) to determine whether an event or information is material or not, and
- (c) to ensure timely, accurate, uniform and transparent disclosure.

## **Effective Date**

This Policy was approved by the Board of Directors of the Company and is effective from May 18, 2018

## **Information required to be disclosed**

Following three categories of events/ information are required to be disclosed to the stock exchanges:

- (a) Events/ Information which are specified under Para-A of Part-A of Schedule III of the Regulations which are deemed to be material events, without applying the principle of materiality.
- (b) Events/ Information which are specified under Para-B of Part-A of Schedule III, if such events or information are considered material by the committee of KMPs, after applying the principle of materiality as set out below.
- (c) Such events/ information which are considered material by the committee of KMPs, after applying the principle of materiality as set out below.



*Committee of KMPs shall mean committee consisting of the Managing Director, the Chief Financial Officer and the Compliance Officer.*

### **Principle of Materiality**

Subject to the provisions of the Regulations, materiality of any event/ information will be decided on a case to case basis. Following “Qualitative” criteria and/or “Quantitative” criteria shall be applied to determine whether an event/ information is material or not.

#### **Qualitative Criteria**

The event or information shall be considered material if:

- (a) the omission of an event or information is likely to result in discontinuity or alteration of event or information disclosed earlier under the regulations and available in public; 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; or
- (c) in the opinion of the committee of KMPs, the event or information is material.

#### **Quantitative Criteria**

The event or information shall be considered material if the impact of the event/information or the value involved in the event/information exceeds:

- (a) 10 % of consolidated net worth of the Company, or
- (b) 10 % of consolidated revenue of the Company, or
- (c) 10 % of consolidated gross profit of the Company.

*Financial figures as per the last year Audited Consolidated Annual Accounts shall be considered.*

### **Responsibility of disclosure**

The Board of Directors of the Company has authorized the Committee of KMPs to determine the materiality of an event or information. Based on the decision of the Committee, the Compliance Officer shall be responsible for making disclosure to the stock exchanges.

### **Disclosure relating to subsidiaries**

The Company shall also disclose to the stock exchanges, events and information relating to the subsidiaries which are material for the Company by applying the criteria stated above.



### **Time of disclosure**

Subject to provisions of the Regulations, the Company shall inform the stock exchanges about all material events or information within 24 hours from the occurrence of the event or information. In case of delay in making any disclosure, an explanation for such delay shall be submitted along with the disclosure to the exchanges.

However, below information shall be submitted with the exchanges within 30 minutes from the conclusion of the board meeting held to consider and decide:

- (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 would 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 listed entity from stock exchange(s);

The intimation of outcome of meeting of the board of directors shall also contain the time of commencement and conclusion of the meeting.

### **Procedure to be followed in relation to disclosure or announcement of material event/information:**

The following procedures shall be followed for the disclosure or announcement of material event/information:

- (a) **Prepare draft disclosure or announcement to the stock exchange(s):** If the event/information is material, the Company Secretary will prepare a draft announcement for the stock exchanges based on the facts, describing these clearly, and shall obtain the approval of the committee of KMPs.
- (b) **Lodgement of disclosure or announcement:** The Company Secretary, on behalf of the Company, will lodge or arrange for the lodgement of the disclosure or announcement with the stock exchange(s) and simultaneously share this with the committee of KMPs.



(c) **Post disclosure or announcement on website:** After lodgement of the disclosure or announcement with the stock exchange(s), the Company Secretary will arrange to place it on the website of the Company. All the announcements made under this Policy shall be hosted on the website of the Company as per the Archival Policy of the Company. If any disclosure or announcement is made about an event, any periodic updates to such event would also be intimated promptly, to the extent applicable.

(d) Periodic updates on the event already disclosed to the stock exchange.

The Company Secretary will arrange to inform the stock exchange(s) all updates on the event or information which are already disclosed to the stock exchanges and the same shall be hosted on the website of the Company.

#### **Policy review and changes**

The Committee of KMPs may review this policy from time to time and may make such changes as may be required. Any change in the policy shall be ratified by the Board of Directors in its next meeting.

#### **Contact details of Compliance Officer**

The Company Secretary shall be responsible for making disclosure to the stock exchanges under this policy. The Compliance Officer can be contacted at:

Vectus Industries Limited  
Company Secretary and Compliance Officer  
A-36, Sector 83, Noida-201305,  
e-mail: [investor.relation@vectus.in](mailto:investor.relation@vectus.in)  
Phone: 0120-4753205

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