



VIP CLOTHING LIMITED

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

[Pursuant to Regulation 30 of the SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015]

Details of Amendments to the Policy				
Policy Change effective Date	Clause No.	Particulars of the Change	Board Approval Date	Version of Policy
<u>11.05.2017</u>		<u>Pursuant to change of name Company had change its name in its policies.</u>	<u>11.05.2017</u>	<u>1</u>
		<u>Revisited by Board of Directors</u>	<u>30.05.2022</u>	
		<u>Revisited by Board of Directors</u>	<u>13.02.2024</u>	

I. 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 as amended from time to time (“Regulations”).

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.

II. DEFINITIONS:

- A. **“Act”** shall mean the Companies Act, 2013 and the rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.
- B. **“Board of Directors”** or **“Board”** means the Board of Directors of VIP Clothing Ltd, as constituted from time to time.
- C. **“Company”** means “VIP Clothing Limited
- D. **“Key Managerial Personnel”** mean Key Managerial personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.
- E. **“Regulations”** mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.
- F. **“Material Information / Event”** shall mean such event or Information / Event as set out in the schedule or as may be determined in terms of clause 3 of the policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.
- G. **“Schedule”** means a schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

III. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information.

The Company shall consider events / information as Material if it meets any of the following criteria:

- 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; or
- 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 consolidated financial statements of the Company;
 - two percent of net worth, as per the last audited consolidated financial statements of the Company, 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 consolidated financial statements of the Company;
- 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 Company, the event or information is considered material.

IV. DISCLOSURES OF EVENTS OR INFORMATION:

- (a) Events specified in Para A of Part A of Schedule III of Regulation 30 of the Regulations ('Para A') are deemed to be material events and the Company shall make disclosure of such events or information as soon as reasonably possible and not later than:
 - thirty minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken;
 - twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
 - twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

Note: In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against aforesaid the timeline.

The event or information shall be disseminated in the following manner:

- √ inform the stock exchanges in which the securities of the Company are listed;
- √ upload on the corporate website of the Company.

Provided that in case the disclosure is made after the timelines specified under this Policy/ Regulation, the Company shall, along with such disclosure(s) provide an explanation for delay.

- (b) The Company shall make disclosure of events as specified in Para B of Part A of Schedule III of Regulation 30 of the Regulations ('Para B') based on application of guidelines for determining Materiality as per Clause 3 of the Policy.
- (c) The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- (d) The Company shall disclose all events or information with respect to its Subsidiaries which are material to it.
- (e) The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.
- (f) In case where an event occurs or information is available with the Company, which has not been indicated in Para A or Para B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.
- (g) In case an event or information is required to be disclosed by the Company in terms of the provisions of this Policy/ Regulation, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

All the above disclosures would also be hosted on the website of the Company.

V. GUIDANCE ON TIMING OF AN EVENT OR INFORMATION:

- a) The Company may be confronted with the question as to when an event/information can be said to have occurred.
- b) In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required, viz. in case of natural calamities, disruptions, etc., the answer to the above question would depend upon the timing when the Company became aware of the event/information.

In the former, the events/information can be said to have occurred upon receipt of approval of Board of Directors.

However, considering the price sensitivity involved, for certain events, e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholders' approval.

In case in-principle approval or approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under this Policy and Regulation 30 of the Regulations.

- c) In the latter, the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the Company.

VI. AUTHORITY TO KEY MANAGERIAL PERSONNEL:

The Key Managerial Personnel 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 Key Managerial Personnel shall be disclosed and updated from time to time to the stock exchange(s) and as well as maintained on the Company's website.

VII. OBLIGATIONS OF INTERNAL STAKEHOLDERS AND KMPS FOR DISCLOSURE:

- a) Any event or information, including the information specified in Para A and Para B shall be forthwith informed to the Key Managerial Personnel upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- b) The Key Managerial Personnel will then ascertain the materiality of such event(s) or information based on the above guidelines.
- c) On completion of the assessment, the Key Managerial Personnel shall, if required, make appropriate disclosure(s) to the stock exchanges.

VIII. POLICY REVIEW:

The Key Managerial Personnel may review the Policy from time to time. Material changes to the Policy will need the approval of the Board of Directors. Any subsequent amendment /modification in the Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy and the same shall be updated for the information of the Board of Directors.

IX. 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.

X. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy; Act, Regulations or any other statutory enactments, rules, the provisions of such Regulations/ Act 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.

XI. DISSEMINATION OF POLICY

This Policy has been adopted by the Board at its meeting held on February 13, 2024 and will be hosted on the website of the Company.
