

**MATERIALITY OF EVENTS POLICY**  
**OF**  
**VARDHMAN HOLDINGS LIMITED**

Under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**I. PREAMBLE:**

Regulation 30(4)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as “**Listing Regulations**”] requires every listed entity to formulate a policy for determining ‘materiality’ of events/ information and to disclose such policy on the website of the Company.

Accordingly, “Materiality of Events Policy” of Vardhman Holdings Limited has been designed considering that stakeholders of the Company need timely, sufficient & reliable information and communication in a coherent manner regarding material events that matter/make influence on the operations or performance of the Company and also to fulfil the requirements of Regulation 30 of the Listing Regulations.

**II. DEFINITIONS:**

**1. Determined Authority**

Determined Authority means Managing Director and/or Company Secretary of the Company, acting individually or jointly, who will be entitled to take a view on the materiality of an event that qualifies for disclosure and to decide the appropriate time and details of disclosure to be filed.

**2. Material Events**

Material Events means the individual transaction or arrangement which, in the opinion of the Determined Authority is significant to the operations or performance of the Company as well as any price sensitive information.

**3. Company**

The Company or Company means “Vardhman Holdings Limited.”

**4. Price Sensitive Information**

“Price-sensitive information” means any information which relates, directly or indirectly, to a company that is not generally available and which upon becoming generally available is likely to materially affect the price of securities of the Company.

## 5. Policy or This Policy

Policy or this policy means "Materiality of Event Policy".

## 6. Stock Exchanges

Stock Exchanges means the stock exchanges where the securities of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited (NSE).

### III. SEBI REQUIREMENTS FOR MATERIAL EVENTS AND INFORMATION:

The events that need to be disclosed to the stock exchange are broadly divided into following 3 categories:

- A. Para A of Part A of Schedule III of Listing Regulations - Events considered material.
- B. Para B of Part A of Schedule III of Listing Regulations - Events deemed material subject to guidelines.
- C. Para C of Part A of Schedule III of Listing Regulations - Other events/ information.

#### **A. EVENTS WHICH SHALL BE CONSIDERED "MATERIAL"**

All events covered in Para A of Part A of Schedule III of Listing Regulations.

#### **B. EVENTS DEEMED MATERIAL SUBJECT TO THE APPLICATION OF THE GUIDELINES FOR MATERIALITY REFERRED IN SUB-REGULATION (4) OF REGULATION (30):**

##### **CRITERIA:**

Any information shall be considered material if value exceeds lower of the following:

- a. 2% percent of turnover, as per the last audited consolidated financial statements of the listed entity;
- b. 2% percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
- c. 5% percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;

The above criteria shall stand automatically modified in line with any further amendment made by SEBI in LODR in this regard.

The events/information which shall be disclosed upon application of guidelines for materiality pursuant to Para B of Part A of Schedule III of the SEBI Regulations are as follows:-

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the listed entity:

- (a) arrangements for strategic, technical, manufacturing, or marketing tieup; or
  - (b) adoption of new line(s) of business; or
  - (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
3. Capacity addition or product launch.
  4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
  5. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
  6. 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.
  7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
  8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
  9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
  10. Options to purchase securities including any ESOP/ESPS Scheme.
  11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
  12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
  13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

### **C. OTHER EVENTS/ INFORMATION**

Events/ information that may include but are not restricted to-

1. Emergence of new technologies;
2. Expiry of patents;
3. Any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof;
4. Any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities,
5. Market sensitive information;

6. Any event which in the view of Board is material.

**IV. DISCLOSURE ON WEBSITE:**

All such material events/ information shall also be posted on the website of the Company and shall be hosted for a minimum period of 5 years.

**V. AMENDMENTS:**

Clause III of the Policy shall stand automatically modified in line with any further amendment made by SEBI in LODR in this regard.

Further, this policy may be amended, suspended or rescinded subject to the approval of Board of Directors, from time to time, in line with any statutory enactment or amendment thereto.