

# **POLICY FOR DETERMINATION OF MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION**

## **1. INTRODUCTION**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations), which was notified on 2<sup>nd</sup> September 2015 and came into effect from 1<sup>st</sup> December 2015 require a Company to disclose events or information which, in the opinion of the Board of the Company, are material. These Regulations have classified disclosure of such events, into the following categories:

- (i) Events which are considered to be deemed material events, and which need to be disclosed without application of the “materiality criteria”. These events are specified by SEBI in **Para A of Part A of Schedule III** of the Listing regulations, 2015.
- (ii) Events which need to be disclosed based on the application of guidelines of materiality under Listing Regulations 2015. These events are specified by SEBI in **Para B of Part A of Schedule III** of the Listing regulations, 2015.
- (iii) Other events / information that are likely to affect the business of the company or any other information which is exclusively known to the company which is likely to affect the decision of the security holders of the company.

In case the Company does not disclose any such specified details, it shall state appropriate reasoning for the same as part of the disclosure. The Regulations also mandate the Company to frame a policy for determination of materiality, based on the criteria mentioned in the Regulations, for disclosure of events mentioned at Annexure B.

This Policy is framed in accordance with the requirements of the Regulations, notified on 2<sup>nd</sup> September 2015 and other SEBI Circulars specified in this regard. This Policy applies to disclosure of events or information which are material to the Company. The effective date of the Policy will be 1<sup>st</sup> December 2015.

## **2. TITLE**

This Policy shall be called ‘Policy for determination of materiality for disclosure of events or information’.

## **3. AUTHORITY**

The Board has constituted a Disclosure Committee comprising of Mr Peeyush Aggarwal, Chairman, Mr. Vishal Anand, Chief Executive Officer & Director and Mr. Sanjay Sharma, Chief Financial Officer, and Miss. Garima Singh, Company Secretary and Compliance Officer, (hereinafter referred to as “Disclosure Committee”/ “Committee”). Mr. Peeyush Aggarwal, Chairman of the Company, shall be the Chairman of the Committee.

## **4. DECISION MAKING OF THE DISCLOSURE COMMITTEE**

The Disclosure Committee members may meet physically or may interact through e-mails or any other means as the members of the Committee may deem fit.

## **5. ROLES AND RESPONSIBILITIES**

The Roles and Responsibilities of the Committee shall include the following:

- (i) To ensure compliance with the disclosure requirements under Regulation 30 of the Regulations and such other Circulars as may be specified by SEBI in this regard;
- (ii) To take a view on the materiality of an event or on the price sensitivity of an event that qualifies for disclosure under Regulation 30 of the Regulations;
- (iii) To determine the appropriate time at which the disclosures are to be made to the stock exchanges which shall be in adherence to the requirements of Regulation 30 of the Regulations;
- (iv) To review and finalise the details to be disclosed. The contents of the disclosure shall be in line with the Regulations and SEBI Circulars issued in this regard, and as may be amended from time to time. Provided that any confidential information which if disclosed is likely to put at risk, the business interest of the Company shall not be disclosed. The Company to that extent shall make qualified disclosure to the Stock Exchanges;
- (v) To consider such other events that may require disclosure to be made to the stock exchanges which are not explicitly defined in any Annexures and determine the materiality, appropriate time and contents of disclosure for such matter;
- (vi) To review the information in respect of the above specified events on periodical basis, as may be necessary and inform the stock exchanges if there is a change in information after it has been disclosed to stock exchanges (including withdrawal / cancellation of event).
- (vii) To determine materiality thresholds of events/ information mentioned in Regulation 2(n) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, which is likely to materially affect the price of the securities (constituting Un disclosed Price Sensitive Information).
- (viii) To make necessary amendment(s) to the Policy as may be required from time to time.

## **6. MATERIALITY CRITERIA OF THE EVENT OR INFORMATION**

Materiality criteria shall have to be determined on a case-to-case basis depending on specific facts and circumstances relating to the event/information mentioned at Annexure B. In order to enable determining whether a particular event/information is material in nature, the Committee shall consider the following criteria in accordance with the Regulations:

- (a) The omission of an event or information, which is likely to result in:
  - i) discontinuity or alteration of event or information already available publicly; or
  - ii) significant market reaction if the said omission came to light at a later date;
- (b) In case where the criteria specified in clauses a) and b) are not applicable, an event/information may be treated as deemed material, if in the opinion of the Board of Directors and/or the Committee, the event/ information is considered material. For such events/information (mentioned in Annexure B), the Board has prescribed

indicative guidelines for determining materiality of an event or information, and which can be considered by the Disclosure Committee for the purpose of disclosure of such events/information to the Stock Exchanges, without diluting the same in any manner. The Committee may, from time to time, modify or amend existing indicative guidelines or specify new guidelines to ascertain materiality of events/ information in this regard. In respect of events or information pertaining to subsidiaries, the Disclosure Committee may consider the criteria mentioned in 1 above and the indicative guidelines prescribed by the Board, for determining materiality of such events or information vis-à-vis the Company.

#### **7. TIMEFRAME FOR DISCLOSURE**

In accordance with the new Regulations, disclosures as specified in Part A of Schedule III thereof shall be made to the Stock Exchanges within 24 hours from the occurrence of information or event (except certain events arising out of the Meetings of the board of directors mentioned in sub-para 4 of Para A of Part A of Schedule III, which are required to be disclosed to the Exchange(s) within 30 minutes of the conclusion of the board meeting).

#### **8. DISCLOSURES ON WEBSITE**

All events or information disclosed to the Stock Exchanges under Regulation 30 of the new Regulations shall be hosted on the website of the Company for a minimum period of 5 years and thereafter be archived as per the Archival Policy of the Company.

#### **9. AMENDMENTS**

The Disclosure Committee is authorised to amend this Policy as may be required from time to time, subject to applicable laws.

#### **10. SCOPE AND LIMITATION**

In the event of any conflict between the provisions of this Policy and the new Regulations / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such new Regulations / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

#### **11. DISSEMINATION OF POLICY**

This Policy shall be hosted on the website of the Company i.e. [www.viseshinfo.com](http://www.viseshinfo.com).

## **Annexure – A**

### **Events which shall be disclosed without any application of the guidelines for Materiality:**

1. 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 Company or any other restructuring;

Explanation. - 'Acquisition' shall mean, -

(i) acquiring control, whether directly or indirectly; or,

(ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –

- (a) the Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
- (b) there has been a change in holding from the last disclosure and such change exceeds two per cent of the total shareholding or voting rights in the said company.

2. 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.;

3. Revision in credit rating(s);

4. Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:

- 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 shall 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 Company from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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;

6. Fraud/defaults by Promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or Promoter;

7. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer;
8. Appointment or discontinuation of share transfer agent;
9. Corporate debt restructuring;
10. One-time settlement with a bank;
11. Reference to BIFR and winding-up petition filed by any party /creditors;
12. 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 the Company;
13. Proceedings of Annual and extraordinary general meetings of the Company;
14. Amendments to memorandum and articles of association of Company, in brief;
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

### **Annexure B**

#### **Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:**

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or 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) (as a borrower) 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 Company 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 Company;
8. Litigation(s) / dispute(s) / regulatory action(s) with impact;
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
10. Options to purchase securities including any ESOP/ESPS Scheme;

11. Giving of guarantees or indemnity or becoming a surety for any third party;
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;
13. Any events pertaining to the Company's subsidiaries, which may be material to the company as per the criteria of materiality laid down under these presents.
14. Any other disclosures of event/information as specified by the Board from time to time.

**ANNEXURE C**

Any other information/event viz. Major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the company which is likely to affect the decision of the security holders of the company.