



# VINATI ORGANICS LIMITED

## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

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### **A. Introduction:**

Regulation 30(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), mandates a listing entity to frame a policy for the determination of materiality, based on criteria specified therein and the policy needs to be approved by the Board.

This Policy for Determination of Materiality of Events or Information is aimed at providing guidelines to the Promoters, Directors, KMPs, Management and relevant employees of Vinati Organics Limited, to determine the materiality of events and information, which are material and Price sensitive and/or which could affect investment decisions and to ensure timely and adequate dissemination of information to the Stock Exchange(s) (as hereinafter defined).

The Securities and Exchange Board of India in order of enhancing corporate governance disclosure norms for listed entities, has further amendments to the Listing Regulations vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 issued on June 14, 2023, in order to incorporate the proposed changes in disclosure norms of the Company in the aforesaid amendments, the Board of Directors of the Company approved the "Revised Policy for Determination of Materiality of Events or Information". This revised policy will be effective from the date of the Board Meeting i.e. August 11, 2023.

Further, the SEBI vide Notification dated December 12, 2024, has further amended the Listing Regulations vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, and has made several changes in disclosure and determination of materiality of events, added provisions related to dispute, provided clarification on thresholds for acquisition, etc. To incorporate the proposed changes in disclosure norms of the Company in the aforesaid amendments, the Board of Directors of the Company approved the "Revised Policy for Determination of Materiality of Events or Information". **This revised policy will be effective from the date of the Board Meeting i.e. February 1, 2025.**

### **B. Objective:**

The objective of this Policy is to serve as a guiding charter to the management to ensure that timely and adequate disclosure of events or information are made to the investor community by the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to enable them to take well-informed investment decisions with regard to the securities of the Company.

### **C. Criteria for Determination of Materiality:**

In accordance with Regulation 30 of the Listing Regulations, the Company shall consider the following criteria for the determination of the materiality of events/ information which is subject to the factor mentioned below:



## VINATI ORGANICS LIMITED

### POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

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- (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 a significant market reaction if the said omission came to light at a later date;
- (c) In the case where the criteria specified in (a) and (b) are not applicable, an event/information may be treated as being material if, in the opinion of the Board of Directors of the Company, the event/information is considered material.

#### **D. Quantitative factor for determining materiality:**

The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- (a) 2% of turnover, as per the last audited consolidated financial statements of the listed entity;
- (b) 2% 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% of the average absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity.

#### **E. Events which are Dependent on the Application of Guidelines for Materiality:**

The Listing Regulations have divided the events that need to be disclosed as follows:

Category 1: Events specified in Para A of Part A of Schedule III are deemed to be material events and the Company shall make disclosure of such without applying any test of materiality.

Category 2: Events should be disclosed, upon application of the guidelines for materiality as stated in the above Clause C of events specified in Para B of Part A of Schedule III.

Category 3: Any other information or event viz. major development that is likely to affect the business and brief details thereof and any other information exclusively known to the Company which may be necessary to enable the securities holders of the Company to appraise its position and to avoid establishment of a false market in such securities.

Category 4: Without prejudice to the generality of categories (1), (2) and (3) above, any other event or information as may be specified by the SEBI from time to time.

The Company will also disclose to the Stock Exchanges, with respect of its Material subsidiary(s), events and information which are material for the Company.



## VINATI ORGANICS LIMITED

### POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

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#### **F. Any other Information / Event Which is to be Disclosed by the Company:**

The Company shall disclose major developments that are likely to affect business, e.g. the 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 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.

#### **G. Time Limit for the Disclosure:**

For all events or information which are material in terms of the provisions of this Listing Regulation as soon as reasonably possible and in any case not later than the following:

- (a) Thirty (30) minutes from the closure of the meeting of the board of directors in which the decision pertaining to the material event or information has been taken;

Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

- (b) Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- (c) Twelve (12) hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;

- (d) Twenty-Four (24) hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:

**Provided that** if all the relevant information, in respect of claims which are made against the listed entity under any litigation or dispute, other than tax litigation or dispute, in terms of subparagraph 8 of paragraph B of Part A of Schedule III, is maintained in the structured digital database of the listed entity in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity.

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

Provided further that in case the Company is not in a position to inform the stock exchange within the above-mentioned time limit, then it shall inform the stock exchange as soon as it is possible with an explanation as to the reason for the delay in disclosing the said information.



# VINATI ORGANICS LIMITED

## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

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Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors.

### **H. Guidelines on the Occurrence of an Event / Information:**

The occurrence of material events/information would be either by the Company's own accord or not in the hands of the Company. It can be categorized as under:

- a. depends upon the stage of discussion, negotiation or approval; and
- b. in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under (a), the events/information can be said to have occurred upon receipt of approval of the Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

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 shareholder's approval.

In respect of the events under (b), 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 entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include the Promoter of the Company.

### **I. Authorize Key Managerial Personnel (KMP) for the purpose of Determining Materiality of an Event or Information and for the purpose of making Disclosures to the Stock Exchange:**

The following KMPs are hereby severally authorized by the Board of Directors for the purpose of determining the materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s) ("Authorized Person(s)"):

Sr. No.	Name & Designation	E-mail ID / Tel No.
1.	Mr. Vinod Saraf – Chairman	<a href="mailto:vinod@vinatiorganics.com">vinod@vinatiorganics.com</a> 022-61240400
2.	Ms. Vinati Saraf Mutreja – Managing Director & CEO	<a href="mailto:vinatisaraf@vinatiorganics.com">vinatisaraf@vinatiorganics.com</a> 022-61240440
3.	Mr. N. K. Goyal – Chief Financial Officer	<a href="mailto:nkgoyal@vinatiorganics.com">nkgoyal@vinatiorganics.com</a> 022-61240403
4.	Mr. Milind Wagh – Company Secretary & Compliance Officer	<a href="mailto:milind.wagh@vinatiorganics.com">milind.wagh@vinatiorganics.com</a> 022-61240402



# VINATI ORGANICS LIMITED

## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

The materialities of events outlined above are indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Person should exercise his/her own judgement while assessing the materiality of events associated with the Company. In case the relevant Authorized Person perceives any doubt regarding materiality he/she may jointly and/or severally consult any other Director, relevant department heads, or any other person whom they deem necessary before disclosing the information to the Stock Exchange(s).

Details of the above KMPs shall be also disclosed to the Stock Exchange(s) and as well as on Company's website.

### **J. Website:**

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the Documentation Retention and Archival Policy of the Company.

### **K. Amendments:**

The Board of Directors on its own and / or as per the recommendations of the Committee can amend this policy, as and when deemed fit.

In case of any amendments(s), clarification(s), circulars(s) etc, issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circulars(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarifications(s), circular(s) etc.

	<b>Sd/-</b>	<b>Sd/-</b>
<b>February 1, 2024</b>	<b>Ms. Reena Wadkar Vice President – Human Resources</b>	<b>Mr. Vinod Saraf Executive Chairman</b>
Date of adoption of the revised policy	Prepared By	Approved By

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