

VIKALP SECURITIES LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF AN EVENT AND INFORMATION

AS PER REGULATION 30 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

OBJECTIVE

Pursuant to the Regulation 30 of SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, every listed entity is required to make disclosure of events and information which in the opinion of the Board of Directors is material. In the above said regulation, some events have been enlisted which are deemed to be material and need to be disclosed to the stock exchange. Besides that, pursuant to the said regulation, company shall also frame a policy for determining the materiality of events and informations. So, the Company adopts a policy.

EFFECTIVE DATE

The policy is effective from 1st of December, 2015 in terms of Regulation 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

AMENDMENT

The code shall be subject to modification as may be deemed necessary and as and when required as per amendment in SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 and the Amendment, if made, shall be approved by the Board of Directors of the Company and shall form part of this code.

DEFINITIONS

1. COMPANY

Company here means Vikalp Securities Limited

2. KEY MANAGERIAL PERSONNEL (KMP)

As defined in Section 2(51) of the Companies Act, 2013

3. SEBI

Securities And Exchange Board Of India

4. LODR

Listing Obligations And Disclosure Requirements

5. BOARD OF DIRECTORS

Board of Directors means Board of Directors of VIKALP SECURITIES LIMITED

6. STOCK EXCHANGE(S)

Stock Exchanges where the securities of the company are listed

7. RULES

The rules made under the Companies Act, 2013

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8. POLICY

Policy means this policy

9. All the words and expressions used here shall, unless defined here, have the meaning respectively assigned to them under the SEBI (LODR) REGULATIONS, 2015, and in case of absence of definition of same, shall have same meaning as defined under the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued there under, as amended from time to time.

POLICY

The policy laid down here is intended to provide a guideline to the Board of Directors of the Company, KMP for identifying and taking into consideration the material event or information concerned the company and to deal with such event or information regarding handling, disseminating the same to stock exchange from time to time.

There are two categories of material information and events. One category is events as mentioned in Para A of Part A of Schedule III of SEBI (LODR) REGULATIONS, 2015 which are mandatorily required to be intimated to the stock exchange without applying the test of materiality and another category is events specified in Para B of Part A of Schedule III which need to be disclosed based on the applicability of guidelines of materiality and all such disclosures shall be made within 24 hours of occurrence of such event or information or within 30 minutes of closure of board meeting (in case of events specified in Point 4 of Para A of Part A of this policy) or if not intimated within such time, then shall be disclosed after that period along with the reason for delay.

CATEGORIES OF EVENTS :

A. MATERIAL EVENTS (AS PER PARA A OF PART A OF SCHEDULE III)

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 listed entity or any other restructuring.

Explanation.- For the purpose of this sub-para, the word '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 listed entity 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 made under sub-clause (a) of clause (ii) of the Explanation to this sub-para 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 Rating(s).

4. Outcome of Meetings of the board of directors: The listed entity 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

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- 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 listed entity 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 listed entity), 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 listed entity 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 listed entity.
- 13. Proceedings of Annual and extraordinary general meetings of the listed entity.
- 14. Amendments to memorandum and articles of association of listed entity, in brief.
- 15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

B. 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 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. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- 9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- 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.

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BESIDES THE EVENTS FALLING UNDER ANY OF THE ABOVE CATEGORIES, FOLLOWING SHALL ALSO BE INFORMED TO STOCK EXCHANGE:

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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.

Following criteria shall be considered while deciding upon the materiality of events as specified in Para B of Para A of Schedule III of SEBI (LODR) REGULATIONS, 2015 :

- (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;
- (c) In case where the criteria specified in sub-clauses (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 listed entity, the event / information is considered material.

Wherever applicable and necessary, with respect to the disclosure if made by the company in any of the categories, company shall also keep the stock exchange updated on a regular basis with the further material developments in such event or information initially disclosed.

AUTHORITY FOR DETERMINING THE MATERIALITY OF EVENTS AND INFORMATION AND FOR DISCLOSURE :

Managing Director and Company Secretary of the Company are severally authorized as per Regulation 30(5) of SEBI (LODR) REGULATIONS, 2015 for determining materiality of an event or information and for making disclosures to stock exchanges under Regulation 30 of SEBI (LODR) REGULATIONS, 2015.

HOSTING ON WEBSITE :

The company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the listed entity, as disclosed on its website.