

POLICY FOR DETERMINATION OF MATERIALITY FOR DISCLOSURE OF INFORMATION/ EVENTS TO THE STOCK EXCHANGE

INTRODUCTION

Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), mandates that every listed entity shall make disclosures of any events or information which, in the opinion of the Board of Directors of the listed company, is material as well as any price sensitive information. The listed entity shall frame a policy for determination of materiality, which shall be disclosed on its website.

This Policy (Policy for Determination of Materiality for Disclosure of Information/ Events to the Stock Exchange) is prepared in accordance with the requirements under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) which mandates the Company to make disclosures of any events of information which, in the opinion of the Board of Directors of Vyara Tiles Limited, is material.

OBJECTIVE

This Policy has been framed with the objective of providing adequate and appropriate disclosures that are consistent with the facts of the material events. The current Policy mechanisms provides for:

- the procedure determining the materiality of the events/information,
- the procedure governing the disclosure of the events that are deemed to be material;
- the time frame within which such events/information is to be disclosed.

EFFECTIVE DATE

This Policy shall come into force with effect from the date of listing of Company’s Shares on Stock Exchanges.

DEFINITION

“**Act**” shall mean the Companies Act, 2013 and the Rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof.

“**Board of Directors**” or “**Board**” shall mean the Board of Directors of Vyara Tiles Limited, as constituted from time to time.

“**Material Events**” or “**Material Information**” shall mean such events or information as set out in the Annexures of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.

“**Policy**” shall mean this Policy for Determination of Materiality for Disclosure of Information/ Events to the Stock Exchange and as amended from time to time.

“Listing Regulations” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

“Schedule” shall mean Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

DISCLOSURE OF MATERIAL EVENT OR INFORMATION

Para A of Part A of Schedule III of the Listing Regulations prescribes list of events/ information, which are deemed material and as and when such events/ information takes place, the Company shall promptly disclose the same to the Stock exchange(s) within the prescribed time.

DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION:

Para B of Part A of Schedule III of the Listing Regulations prescribes list of events/ information which shall be disclosed upon application of criteria for determination of materiality as laid down in Regulation 30 (4) and reproduced below:

- a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- b) the omission of an event or information is likely to result in significant market reaction on Company’s securities, if the said omission came to light at a later date;
- 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 listed entity, the event or information is considered material.

PERSONS AUTHORISED TO DETERMINE MATERIALITY

The Board of Directors of the listed entity have authorized the Managing Director and in his absence, the Chief Financial Officer and in the absence of both of them, the Company Secretary to determine materiality of event or information that has taken place, for the purpose of making disclosure to the Stock exchange(s).

The Compliance Officer or Chief Financial Officer shall be responsible for making disclosure to the Stock Exchange. The contact details of the Compliance Officer shall be made available on the website of the Company.

The Authorized Person(s) shall have the powers and responsibilities as specified in this clause:

- (a) To take a view on the materiality of an event or information which may qualify for disclosure and resolve any computation and interpretation issues whilst making the materiality assessment.
- (b) To determine the appropriate time at which the disclosures are to be made to the stock exchanges, based on an assessment of actual time of occurrence of an Event or information to be reported.
- (c) To review and finalise the details to be disclosed.
- (d) To make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- (e) To consider such other events that may require disclosure to be made to the Stock Exchange(s) which are not explicitly defined in the SEBI Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- (f) To formulate operational guidelines for deployment of this Policy, if required.

TIMELINE FOR DISCLOSURE AND CONTINUAL DISCLOSURE OBLIGATIONS

- a) The listed entity shall first disclose to stock exchange(s) all events or information which are material in terms of this Policy as soon as reasonably possible and in any case not later than the following:
 - 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.
- b) The listed entity shall, with respect to events/information make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- c) The listed entity shall disclose on the website of the Company all such events or information which has been disclosed to stock exchange(s) under this Policy, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter archived in accordance with the Company's Archival Policy.
- d) Whenever any department head of the Company become aware of any event or information, which may qualify as a potential material event or information in light of guidelines for materiality as prescribed under this Policy, then such department head shall report the same to the concerned Authorized Person(s), for the purpose of determining the materiality of the said event or information.

SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Act or SEBI Listing Regulations or any other statutory enactments, modification or rules, the provisions of SEBI Listing Regulations / Act or statutory modification, enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

REVIEW & AMENDMENT

The Board may 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 with or without changes in applicable laws. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.
