



**POLICY ON DETERMINATION AND REPORTING OF MATERIALITY OF EVENTS/
INFORMATION**

(MATERIALITY POLICY)

[Adopted by the Board on 12th August, 2024 and Amended on 10th March, 2025]

VMS TMT LIMITED



CIN: U27204GJ2013PLC074403

**Registered Office: Survey No. 214, Near Water Tank, Bhayla, Ahmedabad, Bavla, Gujarat – 382220,
India.**

1. PREAMBLE

Regulation 30 (4) (ii) of the SEBI Listing Regulations mandates every listed entity shall frame a policy for determination of materiality of events/ information based on the criteria specified under clause (i) of sub regulation (4) of Regulation 30 of Listing Regulations, duly approved by its Board of Directors. Further, the said policy is required to be disclosed on the website of the Company.

VMS TMT LIMITED (“**Company**”) is committed to being open and transparent with all stakeholders and believes in disseminating information in a fair and timely manner. This ‘*Policy for Determination of Materiality of Events or Information*’ (“**Policy**”) is aimed at providing guidelines to the management of Company, to determine the materiality of events or information, which could affect investment decisions and to ensure timely and adequate dissemination of information to the stock exchange(s). The board of directors of the Company have adopted the Policy in its meeting dated 12th August, 2024 and amended on 10th March, 2025.

2. OBJECTIVE

As per Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), a listed entity is required to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, on the basis of the criteria specified in sub-regulation (4) of Regulation 30. The objective of this Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in accordance with provisions of the Regulations and to provide an overall governance framework for such determination of materiality.

3. DEFINITIONS

“**Act**” means the Companies Act, 2013 and as amended, modified or replaced from time to time and includes any statutory replacement or re-enactment thereof, and to the extent that any provisions of the Companies Act, 2013, including any rules made thereunder.

“**Board of Directors**” or “**the Board**” means the Board of Directors of VMS TMT LIMITED, as constituted from time to time.

“**Company**” means VMS TMT LIMITED.

“**Key Managerial Personnel**” means Key Managerial Personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.

“**Policy**” means Policy for Determination and Reporting of Materiality of Events/Information.

“**Subsidiary**” means a subsidiary as defined under Section 2(87) of the Companies Act, 2013.

“**Promoter**” and “**Promoter Group**” shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of Regulation 2(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

“**SEBI Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof.

“**Material**” or “**Materiality**” includes those events and information which may materially affect the performance of the Company or the share price of the Company.



“**Material Subsidiary**” shall mean a subsidiary as identified under Regulation 24(1) of SEBI (LODR) Regulations, 2015.

“**Material Events**” means events specified in Schedule III to SEBI (LODR) Regulations 2015, upon the occurrence of which a listed entity shall make disclosures to the stock exchange(s) and post such disclosures on the website of the listed entity.

“**Stock Exchanges**” means the BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Company are proposed to be listed.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

4. CRITERIA TO DETERMINE MATERIALITY OF EVENTS AND INFORMATION

I. Events or information which are deemed to be material events.

Events specified in Schedule III, Part A, Para A of the SEBI Listing Regulations shall be deemed to be material events. Accordingly, the Company would be required to disclose all such events pertaining to itself and/or its material subsidiary(ies), as applicable.

II. Events or information which are dependent on application of guidelines for materiality.

Events or information specified in Schedule III, Part A, Para B of the SEBI Listing Regulations are required to be disclosed by the Company upon application of Guidelines of Materiality (“**Materiality Guidelines**”).

- (a) The Materiality Guidelines are as under: the omission of an event or information, which is likely to result in discontinuity or alteration of event or information that was previously made publicly available by the Company; or
- (b) the omission of an event or information, which is likely to result in significant market reaction if the said omission came to light at a later date; or
- (c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (1) two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - (2) 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;
 - (3) 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 (a), (b) and (c) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company such event / information is considered material.
- (e) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

The Company shall provide specific and adequate reply to all queries raised by the Stock Exchanges with respect to any events or information.

The Company may at its own initiative also, confirm or deny any reported event or information to Stock Exchanges.



III. *Any other information or event which is to be disclosed by the Company*

Events of the Company to which neither Para A nor B of Schedule III apply, should be disclosed if such events are considered material by the Company. For the purpose of assessing whether a particular transaction or the amounts involved in that transaction are “material” the following information will also be considered, although the list is not exhaustive:

- Whether the event/information where the value involved or the impact exceeds ten percent (10%) of the consolidated total revenue or twenty percent (20%) of the consolidated net worth, whichever is lower based on audited consolidated financials of the Company for the immediately preceding financial year shall be considered as material event or information;
- Whether a related party is involved in the transaction;
- Whether the transaction is in the ordinary course of business.

5. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

The Board of Directors of the Company shall have the authority to determine materiality of any event specified in Annexure B on the basis of the criteria mentioned in paragraph 4 above.

The Board of Directors of the Company shall authorize one or more Directors or Key Managerial Personnel of the Company consisting of the Chairman, Managing Director & CEO/ Whole-time Director(s), Chief Financial Officer and Company Secretary (“**Authorized Persons**”) jointly and severally authorized for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchanges, subject to such information being placed prior to or at the next Board meeting held after the said information being made public. Further, the contact details of such personnel shall be also disclosed to the stock exchange(s) and as well as on the Company's website.

6. DISCLOSURE

The Authorized Person(s) shall observe the following for proper and timely disclosure to the stock exchanges of any material events/ information as defined hereon:

- I. For determining materiality of any event/transaction, reference is to be made to this Policy and the SEBI Listing Regulations as amended from time to time.
- II. The Company shall first disclose to the Stock Exchange(s) all events or information which are material in terms of the provisions of Regulation 30 of the SEBI Listing Regulations, as soon as reasonably possible and in any case not later than the following:
 - (i) 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;
 - (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
 - (iii) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity;

The above disclosures of events / information shall be made within the timelines specified by the SEBI Listing Regulations together read with the SEBI circular bearing reference number SEBI/HO/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.



III. All the disclosures made to the Stock Exchanges under this Policy shall also be disclosed on the website of the Company and the same shall be hosted for a minimum period of five years and thereafter as per the archival policy or as amended from time to time.

IV. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.

7. AMENDMENT

The Board may subject to the applicable laws 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.

8. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company for such minimum period as mandated by the provisions of Listing Regulations and thereafter as per the archival policy of the Company.

9. EFFECTIVE DATE

The policy shall become effective from listing the Company's shares on the stock exchanges.



Annexure B
Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30)

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 Company:
 - i. arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - ii. adoption of new line(s) of business; or
 - iii. 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.

