



# Valiant Organics Limited

## **PREFACE:**

In the realm of corporate governance and transparent financial reporting, the accurate assessment of materiality stands as a cornerstone. As organizations navigate a dynamic business landscape, the need to discern significant events that may impact stakeholders, operations, and financial outcomes is paramount. The "Policy on Determination of Materiality of Event" presented herein serves as a compass guiding our decision-makers in identifying, evaluating, and disclosing events that hold the potential to influence perceptions and decisions.

This policy draft embodies our unwavering commitment to uphold the highest standards of integrity and accountability. By defining a systematic framework for assessing materiality, we aim to ensure that all stakeholders have access to relevant and timely information, enabling informed judgments and fostering trust.

Guided by this policy, our organization undertakes a meticulous journey to determine the significance of events, grounded in both quantitative metrics and qualitative considerations. This journey empowers us to strike a balance between transparency and pragmatism, reflecting our dedication to communicate with clarity while recognizing the nuanced nature of business environments.

We recognize that materiality is not a static concept; rather, it evolves in tandem with the evolving dynamics of our organization and the external landscape. Thus, this policy reflects our adaptability, encouraging periodic reviews and refinements to ensure its continued relevance and effectiveness.

As we embrace this policy, let it be known that we do so with a shared resolve to uphold the principles of transparency, fairness, and ethical conduct. Through the discerning lens of materiality, we illuminate the path towards responsible governance, secure in the knowledge that our commitment to disclosing meaningful events safeguards our reputation and sustains our stakeholders' confidence.



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## POLICY DETERMINING MATERIALITY OF EVENTS

*Pursuant to Regulation 30, read with Schedule III of SEBI (Listing Obligations Disclosures Requirements) Regulations, 2015*

### 1. **OBJECTIVE**

The Policy is framed in accordance with the requirements of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Valiant Organics Limited ('VOL'/'Company') is committed to function keeping in view the best interests of its various stakeholders with due integrity. 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 to the Stock Exchanges in a fair and timely manner in pursuance with the SEBI Listing Regulations and to provide an overall governance framework for such determination of materiality.

The Board of Directors of the Company has adopted the Policy on determination of materiality of events/information on November 08, 2023.

This is a revised set of policy and is in alignment with SEBI (Listing Obligations and Disclosure Requirements (Third Amendment) Regulations, 2024 ("Listing Regulations" or "Regulations") with effect from December 13, 2024 and SEBI circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 and other relevant circulars.

### 2. **DEFINITIONS**

#### 2.1. "Acquisition" shall means-

- a) acquiring control, whether directly or indirectly; or
- b) acquiring or agreeing to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
  - i. the Company holds shares or voting rights aggregating to Twenty per cent or more of the shares or voting rights in the said company; or
  - ii. there has been a change in holding from the last disclosure made under sub clause (i) of clause (b) above and such change exceeds Five per cent of the total shareholding or voting rights in the said company.
  - iii. the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of Regulation 30.

Provided that acquisition of shares or voting rights aggregating to five percent or more of the shares or voting rights in an unlisted company and any change in holding from the last disclosure made

under this proviso exceeding two per cent of the total shareholding or voting rights in the said unlisted company shall be disclosed on a quarterly basis in the format as may be specified.

- 2.2. “Authorized Persons”** shall mean Whole-time Director, Chief Financial Officer and Compliance Officer.
- 2.3. “Board” or “Board of Directors”** means the collective body of the Directors of the Company as constituted from time to time;
- 2.4. “Compliance Officer”** shall mean the Company Secretary of the Company;
- 2.5. “Company / VOL”** shall mean Valiant Organics Limited.
- 2.6. “Key Managerial Personnel” or “KMP”** means the personnel as defined under Section 2(51) of the Companies Act, 2013, read with the rules and regulations issued thereunder, as amended from time to time;
- 2.7. “Mainstream Media”** shall include print or electronic mode of the following:
- Newspapers registered with the Registrar of Newspapers for India;
  - News channels permitted by Ministry of Information and Broadcasting under Government of India;
  - Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
  - Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdiction outside India;
- 2.8. “Material Event/s”** means those event/s specified in: (i) Para A of Part A of Schedule III of the Listing Regulations, being deemed material events, which the Company shall compulsorily disclose; (ii) events specified in Para B of Part A of Schedule III of the SEBI Listing Regulations, which the Company shall disclose, based on guidelines for materiality as specified regulation 30(4); (iii) events specified in Para C of Part A of Schedule III of the Listing Regulations.
- 2.9. “Policy”** means this Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges;
- 2.10. “SEBI”** means the Securities and Exchange Board of India;
- 2.11. “Securities”** shall have the meaning assigned to it under the Securities Contract (Regulation) Act, 1956, as amended from time to time;
- 2.12. “Subsidiaries”** means a subsidiary company as defined under Section 2(87) of the Companies Act, 2013, read with the rules and regulations issued thereunder, as amended from time to time.
- 2.13. “Significant Market reaction”** means reaction which may be assessed against scrip price and as per the parameters specified by the Stock Exchange(s).

Unless the context requires otherwise, words and expressions not defined herein shall have the same meaning as defined under the Listing Regulations, the SEBI Act, 1992, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013, or any other cognate statute.

### 3. APPLICABILITY

3.1. The following event/s along with the timeline specified in Para A of Part A of Schedule III of the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality:

Para A	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) of Listing Regulations:	Timeline for disclosure
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in the associate company of the Company or any other restructuring.	Within 12 hours*  Acquisition of shares or voting rights by listed entities in an unlisted company, aggregating to 5% or any subsequent change in holding exceeding 2%, shall be disclosed quarterly as part of Integrated Filing (Governance).
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.	Within 12 hours*
3.	New Ratings(s) or Revision in Rating(s).	Within 24 hours
4.	Outcome of Meetings of the board of directors.	Timeline as specified in clause (i) of Regulation 30(6) of Listing Regulations.
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.	Within 12 hours * (for agreements where Company is a party);  Within 24 hours (For agreements where Company is not a party).



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Para A	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) of Listing Regulations:	Timeline for disclosure
5A.	<p>Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements:</p> <p>Provided that such agreements entered into by a Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of these regulations.</p>	<p>Within 12 hours * (for agreements where Company is a party);</p> <p>Within 24 hours (for agreements where Company is not a party).</p>
6.	Fraud or defaults by a Company, its promoter, Director, Key Managerial Personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.	Within 24 hours
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	<p>Within 12 hours * (except in case of resignation);</p> <p>Within 24 hours (In Case of resignation).</p>
7A	In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor.	Timeline as Specified in sub Para 7A of Para A of Schedule III.
7B	Resignation of independent director including reasons for resignation	Timeline as specified in Sub Para 7B of Para A of Schedule III.
7C	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management,	Timeline as specified in Sub Para 7C of Para A of



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Para A	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) of Listing Regulations:	Timeline for disclosure
	Compliance Officer or director.	Schedule III.
7D	In case the Managing Director or Chief Executive Officer of the Company was indisposed or unavailable to fulfill the requirements of the role in a regular manner for more than forty-five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability shall be disclosed to the stock exchange(s).	Within 12 hours*
8.	Appointment or discontinuation of share transfer agent.	Within 12 hours*
9.	Resolution Plan / Restructuring in relation to loans/borrowings from banks/financial institutions. <ul style="list-style-type: none"> <li>a. Decision to initiate resolution of loans/borrowings;</li> <li>b. Signing of Inter-Creditors Agreement (ICA) by lenders;</li> <li>c. Finalization of Resolution Plan;</li> <li>d. Implementation of Resolution Plan;</li> <li>e. Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.</li> </ul>	Within 24 hours
10.	One-time settlement with a bank.	Within 24 hours
11.	Winding-up petition filed by any party / creditors	Within 24 hours
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.	Within 12 hours *
13.	Proceedings of annual and extraordinary general meetings of the Company	Within 12 hours*
14.	Amendments to Memorandum and Articles of Association of Company, in brief.	Within 12 hours*
15.	(a) Schedule of analysts or institutional investors meet and presentations made by the Company to analysts or institutional investors.	Timeline as specified in Sub - Para 15 of Para A of Schedule III.
	(b) Audio or video recordings and transcripts of post earnings/quarterly para 15 of Para A calls, by whatever name called, conducted physically or through digital of Schedule III means.	
16.	The following events in relation to the Corporate Insolvency Resolution Process (CIRP) of a listed corporate debtor under the Insolvency Code: <ul style="list-style-type: none"> <li>a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;</li> <li>b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of</li> </ul>	Within 24 hours.



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Para A	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) of Listing Regulations:	Timeline for disclosure
	<p>default;</p> <p>c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;</p> <p>d. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;</p> <p>e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;</p> <p>f. Appointment/ Replacement of the Resolution Professional;</p> <p>g. Prior or post-facto intimation of the meetings of Committee of Creditors;</p> <p>h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;</p> <p>i. Number of resolution plans received by Resolution Professional;</p> <p>j. Filing of resolution plan with the Tribunal;</p> <p>k. Approval of resolution plan by the Tribunal or rejection, if applicable;</p> <p>l. Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:</p> <ul style="list-style-type: none"> <li>(i) Pre and Post net-worth of the company;</li> <li>(ii) Details of assets of the company post CIRP;</li> <li>(iii) Details of securities continuing to be imposed on the companies' assets;</li> <li>(iv) Other material liabilities imposed on the company;</li> <li>(v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;</li> <li>(vi) Details of funds infused in the company, creditors paid-off;</li> <li>(vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;</li> <li>(viii) Impact on the investor – revised Price Earning, Return on Net worth ratios etc.;</li> <li>(ix) Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of</li> </ul>	



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Para A	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) of Listing Regulations:	Timeline for disclosure
	<p>natural persons in control;</p> <p>(x) Brief description of business strategy.</p> <p>m. Any other material information not involving commercial secrets.</p> <p>n. Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;</p> <p>o. Quarterly disclosure of the status of achieving the MPS;</p> <p>p. The details as to the delisting plans, if any approved in the resolution plan.</p>	
17.	<p>Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by the Company:</p> <p>The fact of initiation of forensic audit along with name of entity</p> <p>(a) initiating the audit and reasons for the same, if available;</p> <p>(b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.</p>	<p>Within 12 hours * (if initiated by the Company);</p> <p>Within 24 hours (if initiated by external agency).</p>
18.	<p>Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a Company, in relation to any event or information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company.</p>	<p>Within 24 hours.</p>
19.	<p>Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:</p> <p>a. search or seizure; or</p> <p>b. re-opening of accounts under section 130 of the Companies Act, 2013; or</p> <p>c. investigation under the provisions of Chapter XIV of the Companies Act, 2013;</p>	<p>Within 24 hours</p>
20.	<p>Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:</p>	<p>Within 24 hours</p> <p>Imposition of fine or penalty which are lower than the monetary</p>



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Para A	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) of Listing Regulations:	Timeline for disclosure
	(a) suspension; (b) Imposition of fine or penalty (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or any other similar action(s) by whatever name called; (i) any other similar action(s) by whatever name called	thresholds specified under Para A(20) of Part A of Schedule III of LODR shall be disclosed quarterly as part of Integrated Filing (Governance).
21.	Voluntary revision of financial statements or the report of the board of directors of the Company under section 131 of the Companies Act, 2013.	Within 20 hours*

\* Note: In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes or three hours, as applicable as per Regulation 30(6) from the closure of such meeting as against the timeline indicated in the table above.

3.2. The following event/s along with timelines and Comparable with individual threshold limit specified in Para B of Part A of Schedule III and Industry Standards on Regulation 30 of the Listing Regulations issued in consultation with Securities and Exchange Board of India (SEBI) upon occurrence of which the Company shall make disclosure to the Stock Exchanges after following the procedural guidelines as given in Para 4 of this Policy:

Para B	Events which shall be disclosed upon application of the guidelines for materiality referred sub - regulation (4) of regulation (30)	Timeline for disclosure	Comparable with individual threshold limit (Numerator to Denominator)
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit /division.	Within 12 hours*	Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; b. Expected impact on profit/ loss to 5% of average PAT
2.	Any of the following events pertaining to the Company: i. arrangements for strategic, technical, manufacturing, or marketing tie-up; or	Within 12 hours*	Lower of the below: a. Capital invested or to be invested for such tie-up to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of



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Para B	Events which shall be disclosed upon application of the guidelines for materiality referred sub - regulation (4) of regulation (30)	Timeline for disclosure	Comparable with individual threshold limit (Numerator to Denominator)
			consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT
	ii. adoption of new line(s) of business; or closure of operation of any unit, division, or subsidiary (entirety or piecemeal)		Lower of the below: a. Capital invested or to be invested for new line of business to 2% of consolidated net worth;  b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT
	iii. Closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).		Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or  b. Expected impact on profit/ loss to 5% of average PAT
3.	Capacity addition or product launch.	Within 12 hours*	Capacity addition:  Lower of the below: a. Capital invested or to be invested to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT  Product launch:  Lower of the below: a. Capital invested or to be invested for product launch to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT
4.	Awarding, bagging/ receiving, amendment or termination of awarded/ bagged orders/ contracts not in the normal course of business.	Within 24 hours*	Lower of the below: a. Expected capital expenditure to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of



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Para B	Events which shall be disclosed upon application of the guidelines for materiality referred sub - regulation (4) of regulation (30)	Timeline for disclosure	Comparable with individual threshold limit (Numerator to Denominator)
			consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT
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.	Within 12 hours* (for agreements where Company is a party);  Within 24 hours (for agreements where Company is not a party).	Lower of the below, as may be applicable:  a. Expected impact on balance sheet (increase in liability in terms of amount of loan) to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT
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.	Within 24 hours	Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT
7.	Effect(s) arising out of change in the regulatory framework applicable to the Company.	Within 24 hours	Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.	Within 24 hours (except as provided under Regulation 30(6) of LODR)  Updates on ongoing tax litigations or disputes shall be disclosed quarterly as part of Integrated Filing (Governance).	Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT
9.	Frauds or defaults by employees of the Company which has or may have an impact on the Company	Within 24 hours	Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or



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Para B	Events which shall be disclosed upon application of the guidelines for materiality referred sub - regulation (4) of regulation (30)	Timeline for disclosure	Comparable with individual threshold limit (Numerator to Denominator)
			b. Expected impact on profit/ loss to 5% of average PAT
10.	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours*	Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT
11.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.	Within 12 hours*	Lower of the below: a. Expected impact on balance sheet (increase in liability in terms of amount of guarantee, indemnity, surety, etc.) to 2% of consolidated net worth; or b. Expected impact on profit/ loss in case the guarantee / indemnity / surety is invoked to 5% of average PAT
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours	Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours*	Threshold to be linked with Para A(20) - imposition of penalty.
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 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.	Within 24 hours	
D.	Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/ information as specified by the SEBI from time to time.	Timeline as specified by SEBI	

\* *Note:* In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes or three hours, as applicable as per Regulation 30(6), from the closure

of such meeting as against the timeline indicated in the table above

*Notes: 1. The above comparison of numerator to denominator for each event shall be applied basis on the assessment available with the Company, whether internal or external including any press release, transaction documents, insurance, board presentation, management review, etc., for determining such expected impact on turnover, capital expenditure, profits, etc.*

*2. Consolidated turnover, net worth and profit/loss shall be as per the last audited consolidated financial statements of the listed entity and the average PAT shall be average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity.*

- 3.3.** The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.
- 3.4.** The Company may make disclosures of events / information as specified by SEBI from time to time.
- 3.5.** Details to be provided to the Stock Exchanges while disclosing material events/ information shall be in compliance with the requirements of the Listing Regulations and circulars as may be notified by SEBI from time to time.
- 3.6.** In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III of the Listing Regulations, but which may have material effect on the Company, as determined by the Board of the Company or Authorized Persons in accordance with this Policy, the Company is required to make disclosures in regard thereof.
- 3.7.** In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30 of the Listing Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

**4. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION:**

The Company shall consider the criteria as specified in clause (i) of sub regulation 4 of Regulation 30 of the Listing Regulations for determination of materiality of events / information which read as follows:

**Qualitative criteria** would mean:

- 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;

**Quantitative Criteria** would mean:

- c. the omission of an event/ information, whose value or expected value in value terms is lower of



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the following:

- i. 2% (two percent) of turnover, as per the last audited consolidated financial statements of the Company;
- ii. 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;
- iii. 5% (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.

In terms of the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, if the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value/figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration. The following illustration is provided in this regard for clarity:

**Table I: Illustration for calculation of average of absolute value of profit or loss after tax**

<i>(Amount in Rs. crore)</i>	<b>Profit / loss after tax</b>	<b>Absolute value of profit / loss after tax</b>	<b>Average of absolute value of profit / loss after tax for the 3 years</b>
<b>FY 2020-21</b>	(20)	20	<b>(20+50+20)/3 = 30</b>
<b>FY 2021-22</b>	50	50	
<b>FY 2022-23</b>	(20)	20	

In case a listed entity does not have a track record of three years of financials, say, in case of a demerged entity, the aforesaid average may be taken for the period / number of years as may be available

Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the information / event. In order to determine whether a particular event / information is material in nature, the 'quantitative' and / or 'qualitative' factors shall be considered.

In case where the criteria specified in sub-clauses (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 Company, the event / information is considered material.

## **5. MATERIALITY OF EVENTS MENTIONED IN ANNEXURE II AS PER INDUSTRY STANDARDS NOTE:**

In certain instances, all of the three parameters in the Quantitative Criteria as specified above in point 4 (viz, profit / net worth / turnover) may not be relevant to an event. Applying the principle of Reddendo Singula Singulis to the materiality provisions of LODR Regulations, it can be said that since there are separate thresholds of 2% of turnover, 2% of net worth and 5% of average PAT, each of such values can be applied individually and a particular threshold would be relevant and applicable depending on the nature of the event/ information being assessed. For instance, any event which has an impact on

the turnover or profits of the Company can be considered material by comparing the value of such event/ information with 2% of the consolidated turnover or 5% of the average PAT respectively.

Similarly, if there is any event/ information which has a capital cost involved, then the materiality of such event/ information can be identified by comparing the value of such event/ information with 2% of the consolidated net worth of the Company and if the value of event exceeds such threshold, then the event would be considered as material.

## **6. TIMELINES FOR DISCLOSURE OF MATERIAL EVENTS / INFORMATION:**

- I. All events / information identified as material in line with the Listing regulations and under this Policy shall be disclosed as soon as reasonably possible and in any case not later than the following:

- a. For all material events / information for which decision is taken in a Board meeting within 30 (thirty) minutes from the closure of the board meeting;

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 Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

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.

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

- b. For all material events / information emanating from within the Company within 12 (twelve) hours from the occurrence of the event or information;
  - c. For all material events / information relating to the Company but emanating from outside the Company within 24 (twenty-four) hours from the occurrence of the event or information.
- II. Provided that if all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8 of paragraph B of Part A of Schedule III to the Listing Regulations, is maintained in the structured digital database of the Company 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 Company.
  - III. the timeline for disclosure of event specified in Part A of Schedule III of Listing Regulations is given in Annexure I & II of this Policy.

**7. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION & ITS TIMELY DISCLOSURE:**

- i. The occurrence of material events/ information:
  - a. depends upon the stage of discussion, negotiation or approval; and
  - b. in other instances, where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event /information.
- ii. In respect of the events under 7(i)(a), the events /information can be said to have occurred upon receipt of approval of the Board e.g. further issue of capital by rights issuance and in certain events / information after receipt of approval of both i.e. Board 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, pending Shareholder's approval. Approvals other than final approval, such as in-principle approval or approval to explore (which is not final approval) given by the Board, will not require disclosure under this Policy.

- iii. In respect of the events under 7(i)(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 Company 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 Companies Act, 2013 and shall also include Promoter of the Company.

**8. GUIDELINES FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION:**

Any event purported to be reportable under Regulation 30 shall be informed to the Managing Director, Chief Financial Officer & Company Secretary of the Company on an immediate basis with adequate supporting data / information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Company Secretary.

The Managing Directors, Chief Financial Officer and the Company Secretary of the Company shall severally be responsible and authorized for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this policy.

After evaluation, any one of the above mentioned persons shall make disclosure to the Stock Exchanges.

The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.

Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently



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explained along with the disclosure.

Regular updates, where relevant, shall be made with relevant explanations.

All disclosures shall be available on the website of the Company for a period of 5 years.

## **9. RESPONDING TO MARKET RUMOURS:**

- I. In terms of Regulation 30(11) of Listing Regulations, the Company shall confirm, deny or clarify any event or information reported in the Mainstream Media which is not general in nature and which indicates that rumors of an impending specific Material Event or Information in terms of the SEBI Regulations are circulating amongst the investing public.
- II. The Company shall confirm / deny / clarify the market rumour, as soon as reasonably possible but not later than 24 hours from the reporting of event / information. Provided further that if the listed entity confirms the reported event or information, it shall also provide the current stage of such event or information.
- III. The Company shall also adhere to the Code of Fair Disclosure framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **10. DISCLOSURE REQUIREMENTS FOR CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES:**

- i. All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a listed entity or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to the Listing regulations, shall inform the listed entity about the agreement to which such a listed entity is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements:

Provided that for the agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III to the Listing regulations, the parties to the agreements shall inform the listed entity, about the agreement to which such a listed entity is not a party and the listed entity shall in turn disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.

- ii. The listed entity shall disclose the number of agreements that subsist as on the date of notification of clause 5A to Para A of part A of schedule III to the Listing regulations, their salient features, including the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24.

## **11. CONTACT DETAILS:**

Pursuant to Regulation 30(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company herein provides the contact details of the Authorised Persons for the purpose of determining the materiality of any event or transactions or



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information and for the purpose of making disclosure to Stock Exchange(s).

Purpose	Authorised Person	Contact Details
Determining Materiality	a) Mr. Parimal H. Desai (Managing Director) b) Mr. Sathiababu K. Kallada (Managing Director) c) Mahek M. Chheda (Executive Director and Chief Financial Officer)	109, Udyog Kshetra, 1st Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai - 400 080, Maharashtra, India.
Submission of Disclosure	Mr. Kaustubh Kulkarni (Company Secretary and Compliance Officer)	Contact No.: + 91 22 6797 6683 Email: <a href="mailto:investor@valiantorganics.com">investor@valiantorganics.com</a>

## 12. DISSEMINATION OF POLICY:

The Policy shall be uploaded on the Company's website.

## 13. AMENDMENT:

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.