

VIP CLOTHING LIMITED



POLICY ON MATERIALITY IN RELATION TO GROUP COMPANIES

[Pursuant to SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

| Details of Amendments to the Policy | | | | |
|-------------------------------------|------------|---------------------------|---------------------|-------------------|
| Policy Change effective Date | Clause No. | Particulars of the Change | Board Approval Date | Version of Policy |
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1. PURPOSE

To meet the requirement of the SEBI Regulations, it would need to have policy of the Company for identifying the group companies and materiality in this respect. The word “group” or “group companies” are used in various statute and regulation for diverse purpose. This Policy shall be called ‘Policy on Materiality for considering a company as Group Company’ (“the Policy”).

2. DEFINITIONS

(a) “Act” means the Companies Act, 2013, and Rules made thereunder, as may be clarified, amended, reenacted and for the time being in force.

(b) “Board” means Board of Directors of the Company for the time in force

(c) “Company” or “VIP” or “VIP Clothing Limited” having CIN L18101MH1991PLC059804

(d) “SEBI Regulations” shall include Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 and other regulations, guidelines, circulars etc as may be issued by SEBI and in force for the time being in force.

(e) Unless the context require otherwise, words importing the singular include the plural and vice versa and pronouns importing a gender include each of the masculine, feminine and neuter genders and shall be interpreted in the wide sense in spirit of this Policy.

3. EFFECTIVE DATE OF THE POLICY

The Board has approved this Policy in its meeting held on 11th May, 2017. This Policy came into effect from 11th May, 2017.

4. GROUP COMPANIES

A Company shall be considered material for the purpose of its inclusion as a group company in terms of the requirements of SEBI (ICDR) Regulations, 2009 if and only if it fulfils any of the following criteria’s:

- (i) Companies as per applicable accounting standards, being Accounting Standard 18, as mentioned in our annual financial statements for fiscal year 2017 (except companies that may be consolidated in accordance with Accounting Standards 21, if any); and
- (ii) Any other company or companies, as the Board may identify as material group companies of VIP. For the purpose of this paragraph, a company shall be considered material if:
 - (a) our Company or our Promoters holds 10% or more of the equity share capital of such company; and
 - (b) our Company has entered into one or more transactions with such company during the last completed financial year, which laid down the limit of 1% of total turnover of the Company or 0.5% of total expenditure.

5. CLARIFICATION AND REVIEW OF THE GUIDELINES

In consultation with the Managing Director, Chief Financial Officer and Company Secretary may issue clarification and procedural alteration for effective and smooth implementation of this Policy.

In case of any further mandatory requirement or amendment in the Act, Listing agreement, SEBI Regulations, direction or clarification, provision of this Policy shall be read and implemented in context of such amended or clarified positions.

6. AMENDMENT IN THE POLICY

This policy may be reviewed, amended, added or substituted by the Board as it thinks fit.
