

VIRTUAL GLOBAL  
EDUCATION LIMITED

POLICY ON MATERIALITY OF  
EVENTS AND DISCLOSURES  
OF INFORMATION TO THE  
STOCK EXCHANGE

UNDER REG. 30 OF SECURITIES AND  
EXCHANGE BOARD OF INDIA  
(LISTING OBLIGATIONS  
AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015

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# **VIRTUAL GLOBAL EDUCATION LIMITED**

## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION FOR DISCLOSURE TO THE STOCK EXCHANGE**

### **PREAMBLE**

The Board of Directors, hereinafter referred to as “the Board” of Virtual Global Education Limited has adopted the Policy for determination of Materiality, hereinafter referred to as “Policy for determination of Materiality of events and Information for disclosure”. This Policy provides guidance to the Board, Management, and Staff on the assessment of materiality in financial matters.

### **INTRODUCTION AND BACKGROUND**

This Policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India (“SEBI”), under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), with respect to disclosure of events and information.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors of the Company in its meeting held on 13<sup>th</sup> February, 2016 approved the "Policy for Determination of Materiality of Events or Information". The Board shall review, and if found required, may amend this Policy from time to time.

This Policy will be applicable to the Company with immediate effect.

### **SCOPE AND PURPOSE**

- A. Virtual Global Education Limited (“VGEL” or “Company”) is governed, amongst others, by the rules and regulations framed by Securities Exchange Board of India (“SEBI”). SEBI has mandated every listed company to formulate a policy on materiality of events and information for disclosure to the stock exchange.
- B. Accordingly the Company has formulated this policy on materiality of events and information for disclosure to the stock exchange. This Policy regulates all transactions between the Company and its Related Parties. (as defined below)

### **TERMS AND REFERENCE**

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

“**Board of Directors**” or “**Board**” means the Board of Directors of Virtual Global Education Limited, as constituted from time to time.

“**Company**” means Virtual Global Education Limited.

“**Key Managerial Personnel**” mean key managerial personnel as defined in subsection (51) of section 2 of the Companies Act, 2013.

“**Listing Agreement**” shall mean an agreement that is to be entered into between a recognised stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), Regulations 2015.

“**Material Event**” or “**Material Information**” shall mean such event or information as set out in the Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the Policy, the words, “material” and “materiality” shall be construed accordingly.

“**Material Subsidiary**” shall mean any subsidiary company of the Company which is or has been determined as a material subsidiary as per the provisions of the Regulations.

“**Policy**” means this Policy on Materiality of Events and Disclosure of Information to the Stock Exchange and as may be amended from time to time.

“**Regulations**” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

“**Schedule**” means a Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

### **CRITERIA FOR DETERMINATION OF MATERIALITY**

The Listed Company shall determine the following criteria for determination of Materiality of events/ information.

- 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 (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.

### **DISCLOSURE OF EVENTS**

The Company shall disclose all such material events which are specified in Para A of Part A of Schedule III of the SEBI (LODR) Regulation.

The Following shall be events upon occurrence of which company shall make disclosure to BSE without any application of guideline for materiality as specified in sub –regulation (2) of regulation 30:-

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 Company or any other restructuring.
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 Company shall disclose to the Exchange(s), within 30 minutes of the closure of the Board Meeting, held to consider the following:
  - a) Dividends and /or cash bonuses recommended or declared or the decision to pass any
  - 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;
  - e) Increase in capital by issue of bonus shares through capitalization including the date on which bonus shares shall be credited/ dispatched.
  - f) Reissue of forfeited shares or securities, or issue of shares or securities held in reserve for future issue or 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 Company from Stock Exchange(s)
5. 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 amendments(s) and termination(s) thereof.
  6. Fraud/defaults by promoter or key managerial personnel or by company 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 media by the listed entity.
  13. Proceedings of Annual and extraordinary general meetings of the company.
  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 Company to analyst or institutional investors.

#### **DISCLOSURE OF EVENTS AS PER GUIDELINES**

The Company shall disclose all such material events specified in Para B of Part A of schedule III of LODR Regulation subject to application of guidelines for materiality.

The following shall be events upon occurrence of which company shall make disclosure to BSE subject to application of the guidelines for materiality as specified in sub regulation (3) of regulation 30:-

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 (entirely 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 amendments(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.

### **TIME LIMIT FOR DISCLOSURE OF EVENT OR INFORMATION TO THE STOCK EXCHANGE**

The company shall disclose to stock exchange all events, as specified in Part A of schedule III of LODR regulation, or information within twenty four hours from the occurrence of event or information.

In case the disclosure is made after twenty four hours of occurrence of the event or information, the company shall, along with such disclosures provide explanation for delay.

Disclosure with respect to events specified in sub-Para 4 of Part A of schedule III of SEBI (LODR) regulation shall be made within thirty minutes of the conclusion of the Board Meeting.

## **WEBSITE**

The company shall disclose on its website [www.virtualeducation.in](http://www.virtualeducation.in) all such events or information which has been disclosed to stock exchange under this policy and such disclosures shall be hosted on the website of the company for minimum period of five years and thereafter as per the documents preservation policy of the company, as disclosed on its website.

## **AUTHORITY TO KMPs**

The following KMP's are authorized jointly or severally by board of directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange :-

1. Mr. Sirsendhu Sinha Chaudhary : CEO
2. Mr. Ashok Kumar Dubey : CFO

## **REVIEW OF THE POLICY**

The Board of director of the Company shall review the policy as and when required. The authorized person shall provide regular assurance to board of directors on the effectiveness of the policy.