

**POLICY
ON
CRITERIA FOR
DETERMINING
MATERIALITY OF
EVENTS**

(W.E.F 01/12/2015)

For Ganesh Housing Corporation Ltd

Chairman

OBJECTIVE:

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations). The objective of the Policy is to determine materiality of events or information relating to the Company and to ensure that such information is adequately disseminated in pursuance of the Regulations and to provide an overall governance framework for such determination of materiality.

2. EFFECTIVE DATE:

The effective date of this Policy is effective 1st December, 2015.

3. DEFINITION

"Board of Directors" or **"Board"** shall mean the Board of Directors of Ganesh Housing Corporation Limited, as constituted from time to time.

"Company" shall mean Ganesh Housing Corporation Limited.

"Key Managerial Personnel" means CEO or Managing Director or Manager, Whole-time Director, Chief Financial Officer and Company Secretary and such other officer of the Company as may be prescribed under Section 2(51) of Companies Act, 2013.

"Material Event" or "Material Information" shall mean such event or information as set Policy, the words, "material" and "materiality" shall be construed accordingly.

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

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.

4. AUTHORITY TO DETERMINE MATERIALITY OF EVENTS:

The Board of Directors have authorized Managing Director and/or Chairperson, to determine the materiality of an event or information and to make timely disclosure on a timely basis as and when they became aware of the same. They are also empowered to seek appropriate counsel or guidance, as and when required, from internal and external sources as they deem fit.

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The Chief Finance Officer, Company Secretary and the respective Head of the Departments who are responsible for relevant areas of the Company's Operations to whom any item of information related (Designated Officers) must report to the Managing Director and/or Chairperson of the Company any event/ information which is material as defined in this policy or of which Designated Officer is unsure as to its materiality i.e. prospective material information.

The event/ information should be reported immediately after a Designated Officer becomes aware of it, with supporting data/ information to facilitate prompt and appropriate disclosure.

On receipt of a communication of a potential material event/ information, Managing Director and/or Chairperson and/or Chief Executive Officer of the Company will:

- a. Review the event / information and take necessary steps to verify the accuracy;
- b. Assess if the event/ information is required to be disclosed to the Stock Exchanges under the Regulations and based on the guidelines prescribed under Clause 5 of this Policy.

The event/ information shall be communicated to Company Secretary / Compliance Officer for disclosure to Stock Exchange/s. The Company Secretary/ Compliance Officer or in his/her absence employee designated as Deputy Manager (Secretarial) or above rank have been authorized to deal with dissemination of information and disclosure of material events or information to Stock Exchange(s).

5. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

- (i) The events as specified in para (A) of Part A of Schedule III of the Listing Regulations (Enclosed as **Annexure-I**) shall be disclosed irrespective of Materiality.
- (ii) The events as specified in para (B) of Part A of Schedule III of the Listing Regulations (Enclosed as **Annexure-II**) shall be disclosed on application of the guidelines for Materiality. Materiality of such events will be determined on case to case basis depending on the facts and circumstances pertaining to the event or information.

The following criteria shall be applicable for determining materiality of event or 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
 - significant market reaction if the said omission came to light at a later date;

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- b. In case where the criteria specified in sub-clauses (a) is not applicable, an event/information may be treated as being material if in the opinion of the board of directors of the Company, the event / information is considered material.

6. DISCLOSURES OF EVENTS OR INFORMATION:

- a. Events specified in **Annexure I** are deemed to be material events and the Company shall make disclosure of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:
- i. inform the stock exchanges on which the securities of the Company are listed;
 - ii. upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall along with such disclosure(s) provide an explanation for the delay.

- b. Disclosure with respect to events specified in **para 4 of Annexure I** shall be made within thirty minutes of the conclusion of Board Meeting.
- c. The Company shall make the disclosure of events/information as specified in **Annexure II** based on application of guidelines for determining Materiality as per clause 6 of the Policy.
- d. In case Company has listed its Non-convertible Debt Securities or Non-Convertible Redeemable Preference Shares or both, the Company shall also promptly inform the stock exchange(s) of all information which shall have a bearing on a performance / operation of the Company or is price sensitive or shall inter-alia affect payment of interest or dividend of non-convertible preference shares or redemption of non-convertible debt securities or redeemable preference shares, as specified in Part B of Schedule III of the Listing Regulations (Enclosed as **Annexure - III**).
- e. The Company shall also disclose all events or information with respect to material subsidiaries.

7. AMENDMENTS:

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.



8. ARCHIVAL POLICY:

As prescribed under Regulation 30(5) of the Listing Regulations, the Company shall disclose on its website all such events or information which are 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 as per the discretion of the Company Secretary, who may decide to retain the information hosted on the Website of the Company or discard the same.



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Events which shall be mandatorily disclosed without any further consideration of the guidelines for materiality:

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;

Explanation. - 'Acquisition' shall mean, -

- (i) acquiring control, whether directly or indirectly; or,
 - (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
 - (a) the Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - (b) there has been a change in holding from the last disclosure and such change exceeds two per cent of the total shareholding or voting rights in the said company.
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 credit 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 any meeting held to consider the following:
 - a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - b) any cancellation of a dividend with reasons therefor;
 - 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 of reserves including the date on which such bonus shares shall be credited/dispatched;
 - f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits which may be to subscribed to;
 - g) short particulars of any other alterations of capital, including calls;
 - h) financial results;
 - i) Decision on voluntary delisting by the Company from stock exchange(s).

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5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that they impact 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;
6. Fraud/defaults by a Promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or a 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 the media by the Company;
13. Proceedings of Annual and extraordinary general meetings of the Company;
14. Amendments to memorandum and articles of association of Company, in brief;
15. Schedule of Analyst or institutional investor meets and presentations on financial results made by the Company to analysts or institutional investors.

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Annexure II

Events which shall be disclosed upon application of the guidelines for materiality:

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 the business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-ups, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal);
3. Capacity addition or product launch;
4. Awarding, bagging/ receiving, amendment or termination of awarded/won 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 the 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 divisions of the Company due to a 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 Company;
8. Litigation(s) / dispute(s) / regulatory action(s) with their possible impact;
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
10. Options to purchase securities including any ESOP/ESPS Scheme;
11. Giving of a guarantee or an indemnity or becoming a surety for any third party;
12. Granting, withdrawal, surrender , cancellation or suspension of key licenses or regulatory approvals;
13. Any other information/event/ 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.

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Annexure III

Disclosure of Information having bearing on Performance/Operation of Company and/or Price Sensitive Information: Non-Convertible Debt Securities & Non-Convertible Redeemable Preference Shares

The Company shall promptly inform to the stock exchange(s) of all information which shall have bearing on performance/operation of Company or is price sensitive or shall affect payment of interest or dividend of non-convertible preference shares or redemption of non-convertible debt securities or redeemable preference shares including:

1. expected default in timely payment of interests/preference dividend or redemption or repayment amount or both in respect of the non-convertible debt securities and non-convertible redeemable preference shares and also default in creation of security for debentures as soon as the same becomes apparent;
2. any attachment or prohibitory orders restraining the Company from transferring non-convertible debt securities or non-convertible redeemable preference shares from the account of the registered holders along-with the particulars of the numbers of securities so affected , the names of the registered holders and their demat account details;
3. any action which shall result in the redemption, conversion, cancellation, retirement in whole or in part of any non-convertible debt securities or reduction, redemption, cancellation, retirement in whole or in part of any non-convertible redeemable preference shares;
4. any action that shall affect adversely payment of interest on non-convertible debt securities or payment of dividend on non-convertible redeemable preference shares including default by issuer to pay interest on non-convertible debt securities or redemption amount and failure to create a charge on the assets;
5. any change in the form or nature of any of its non-convertible debt securities or non-convertible redeemable preference shares that are listed on the stock exchange(s) or in the rights or privileges of the holders thereof and make an application for listing of the securities as changed, if the stock exchange(s) so require;
6. any changes in the general character or nature of business / activities, disruption of operation due to natural calamity, and commencement of commercial production / commercial operations;
7. any events such as strikes and lock outs. which have a bearing on the interest payment/ dividend payment / principal repayment capacity;

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8. details of any letter or comments made by debenture trustees regarding payment/non-payment of interest on due dates, payment/non-payment of principal on the due dates or any other matter concerning the security, listed entity and /or the assets along with its comments thereon, if any;
9. delay/ default in payment of interest or dividend / principal amount/redemption for a period of more than three months from the due date;
10. failure to create charge on the assets within the stipulated time period;
11. any instance(s) of default/delay in timely repayment of interests or principal obligations or both in respect of the debt securities including, any proposal for re-scheduling or postponement of the repayment programmes of the dues/debts of the listed entity with any investor(s)/lender(s).

Explanation.- For the purpose of this sub-para, 'default' shall mean Non-payment of interest or principal amount in full on the pre-agreed date and shall be recognized at the first instance of delay in servicing of any interest or principal on debt.

12. any major change in composition of its board of directors, which may amount to change in control as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
13. any revision in the rating;
14. the following approvals by board of directors in their meeting:-
 - a. the decision to pass any interest payment;
 - b. short particulars of any increase of capital whether by issue of bonus securities through capitalization, or by way of right securities to be offered to the debenture holders, or in any other way;
15. all the information, report, notices, call letters, circulars, proceedings, etc concerning non-convertible redeemable preference shares or non convertible debt securities;
16. any other change that shall affect the rights and obligations of the holders of non-convertible debt securities / non-convertible redeemable preference shares, any other information not in the public domain necessary to enable the holders of the listed securities to clarify its position and to avoid the creation of a false market in such listed securities or any other information having bearing on the operation/performance of the Company as well as price sensitive information.

Note: At present the Company has not issued non-convertible debt securities & non-convertible redeemable preference shares which are listed on Stock Exchange(s). The provisions of Annexure - III will apply if the Company lists such securities on Stock Exchange(s), in future.

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