

## **PARSVNATH DEVELOPERS LIMITED**

### **POLICY FOR DETERMINATION OF MATERIALITY OF AN EVENT / INFORMATION**

#### **1. Preface**

The Board of Directors (the "Board") of **Parsvnath Developers Limited** (the "Company") has adopted the following policy and procedures with regard to determination of materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Policy has been formulated in accordance with clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

#### **2. Definitions**

##### **2.1 Authorised Key Managerial Personnel**

Authorised Key Managerial Personnel means Whole-time Director(s) and/or Chief Financial Officer and/or Company Secretary of the Company, who are authorised, individually or jointly, for determining the materiality of an event or information that qualifies for disclosure and to decide the appropriate time and details of its disclosure to be made to the Stock Exchange(s).

##### **2.2 Material events**

Material Events means the individual transaction or arrangement which, in the opinion of the Authorised Key Managerial Personnel is significant to the operations or performance of the Company as well as any price sensitive information.

##### **2.3 Price Sensitive Information**

Price-sensitive information means any information which relates, directly or indirectly, to the Company that is not generally available and which upon becoming generally available is likely to materially affect the price of securities of the Company.

##### **2.4 Compliance Officer**

Compliance Officer means "Company Secretary" of the Company.

#### **3. Interpretation**

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Listing Regulations and the Companies Act, 2013 as amended from time to time.

#### **4. Purpose of the Policy**

The purpose of the Policy is to determine the materiality of events or information, specified in Para B of Part A of Schedule III to the Listing Regulations, based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

The Events specified in Para A of Part A of Schedule III are deemed to be material events and the Company shall make disclosure of events mentioned therein.



## 5. Reporting and Disclosure

Regulation 30 of Listing Regulations have categorised material events and information which will have bearing on the performance/operations of the Company. The disclosures of events and information which the Company shall make to the Stock Exchange(s) as broadly categorised under these regulations are as under –

- i. Events in Category A shall be disclosed to Stock Exchanges without any application of the guidelines for materiality i.e. these are mandatorily to be disclosed irrespective of the extent of happening of event.
- ii. Events that have been provided in Category B shall be disclosed to Stock Exchanges upon application of the guidelines for materiality to be determined by the Authorised Key Managerial Personnel on the basis of criteria as mentioned in Regulation 30(4).
- iii. Any other material event or information as per Category C, which have not been covered under Category A & Category B, shall also be disclosed to the Stock Exchanges upon application of guidelines for materiality to be determined by the Authorised Key Managerial Personnel on the basis of criteria as mentioned in Regulation 30(4).

Details of above events or information are provided in **Annexure** forming part of this Policy.

## 6. Criteria for determination of materiality of events or 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, as amended from time to time and mentioned below:

- (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 sub-clauses (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 the Company, the event / information is considered material.

In order to ensure that the Company complies with the disclosure obligations under Regulations 30 of the Listing Regulations, an internal system shall be established for reporting any event or information which may require disclosure so that the event or information can be properly assessed and decision can be made regarding its disclosure to the Stock Exchanges.

Under the system, Chief Financial Officer, Chief Operating Officer, Presidents, Vice Presidents, Head of the Departments and Financial Heads who are responsible for relevant areas of the Company's operations (Responsible Officers) must report to Chief Executive Officer of the Company about any event or information.



In case such event or information is required to be disclosed or material in nature is not in the knowledge of responsible officer or comes to his knowledge subsequently, the responsible officer shall report immediately upon becoming aware of it to the Chief Executive Officer.

On receipt of communication of such event or information the matter will be reviewed and accessed in regard to its accuracy and necessity of disclosures of such event or information in terms of this Policy. Where the Company is not certain about materiality of event/information, it may refer the matter to the external legal advice.

The procedure to be followed in relation to the lodgement of announcement of event / information is as follows:

- i. **Prepare draft announcement to the Stock Exchanges:** The Company will prepare draft announcement to the Stock Exchanges which is factual and expressed in clear manner.
- ii. **Lodge Announcements:** The Company Secretary on behalf of the Company will lodge or arrange for lodgment of the announcement with the Stock Exchanges.
- iii. **Post announcement on website:** After lodgment of the announcement with the Stock Exchanges, the Company Secretary will arrange to place it on the website of the Company. All the announcements made under this Policy shall be kept on the website as per the Archival Policy of the Company.

## 7. **Communication of the Policy**

The Policy shall be posted on the website of the Company viz. [www.parsvnath.com](http://www.parsvnath.com).

## 8. **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 new policy. All such amendments / modifications must be in compliance with the applicable provisions of SEBI Regulations or any other law for the time being in force.



## ANNEXURE

### A) EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE GUIDELINES FOR MATERIALITY AS SPECIFIED IN SUB-REGULATION (4) OF REGULATION (30) THE LISTING REGULATIONS:

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 listed entity or any other restructuring.

Explanation.- For the purpose of this sub-para, the word '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 listed entity 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 made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two percent 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 Rating(s).
  4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the 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 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 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 to subscribe to;



- g. short particulars of any other alterations of capital, including calls;
  - h. financial results;
  - i. decision on voluntary delisting by the listed entity from stock exchange(s).
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 listed entity), 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 promoter or key managerial personnel or by listed entity 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 the media by the listed entity.
  13. Proceedings of Annual and extraordinary general meetings of the listed entity.
  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 listed entity to analysts or institutional investors;

**B) EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY REFERRED IN SUB-REGULATION (4) OF REGULATION (30) OF LISTING REGULATIONS:**

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 (entirety 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 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. 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.
- 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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
- D) Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by Securities and Exchange Board of India from time to time.

