

POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION

➤ BACKGROUND:

The Securities and Exchange Board of India (SEBI) has issued and notified “SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Regulations”) requiring the listed Companies to make disclosure of events / information in a timely manner so as to regulate the market and control the flow of false information among the stake holders.

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations), a listed entity is required to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, based on the criteria as specified Sub Reg. 4 of Regulation 30 and the same is also required to be disclosed on the Company’s website.

- The Policy shall be applicable to all the events relating to the Company, as and when they come under the criteria elucidated in the below. The policy effective from December 01, 2015 was amended at the meeting of the Board of Directors held on June 18, 2020. Thus the Policy shall continue to be effective from December 01, 2015 with amended date being June 18, 2020.

➤ DEFINITIONS:

“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 GeeCee Ventures Limited, as constituted from time to time.

“Company” means GeeCee Ventures Limited.

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

“Material Events” means events of the nature as specified in Para B of Part A of Schedule III which are deemed to be material based on the application of this policy.

“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.

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

“Website” shall mean website of the Company www.geeceeventures.com

Any other term not defined herein shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

➤ **PURPOSE OF THE POLICY:**

The Purpose of this Policy is to determine materiality based on criteria specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI LODR, 2015”) and to disclose material events which are necessary to be disclosed to the stock exchanges based on criteria as adopted as part of this policy and such criteria as prescribed in the Regulation.

In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rules, regulation or standard governing the Corporation, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this Policy is amended to conform to the law, rule, regulation or standard.

➤ **DETERMINATION FOR MATERIALITY OF EVENTS / INFORMATION AND ITS DISCLOSURE:**

- I. Regulation 30 of the Regulations mandates disclosure of all *deemed* material events to the Stock Exchanges. These events have been specified in Para A of Part A of Schedule III of the Regulations and shall be disclosed as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information and in case there is a delay in disclosing the event or information explanation for the delay shall be given. The events that are deemed to be material events as per Para A of Part A of Schedule III of the regulations are provided in Annexure A to this policy.
- II. For disclosure of certain events (as specified in Para B of Part A of Schedule III) to the Stock Exchanges the following criteria shall be considered by the Board for determining whether the events are material or not:-

Where the omission of an event or information, is likely to result in:

- a) discontinuity or alteration of event or information already available publicly or
- b) a significant market reaction if the said omission came to light at a later date.

Where it would be difficult to report the events based on qualitative criteria as stated in points a) and b) above, the same may be considered material for disclosure, upon meeting materiality thresholds as mentioned in Annexure B below.

Further the events shall also be disclosed on the website of the Company in the manner as provided in sub-regulation 8 of Regulation 30.

➤ **DISCLOSURE OF EVENT:**

In case of an event not indicated in Annexure A or Annexure B but is determined by the Authorised KMP to have material impact on the Company, adequate disclosures shall be made by the Company to the Exchanges.

➤ **GUIDANCE ON WHEN AN EVENT/INFORMATION HAS OCCURRED:**

The Company may be confronted with the question as to when an event/information can be said to have occurred.

In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc., the answer to the above question would depend upon the timing when the listed entity became aware of the event/information.

In the former, the events/information can be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors 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 of Directors, pending Shareholder's approval.

In the latter, the events/information can be said to have occurred when a listed entity becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

➤ **POWER TO DETERMINE MATERIALITY:**

The Key Managerial Personnel as authorised by the Board of Director will determine the materiality of events / information. The Board of Directors have authorised the CFO and Company Secretary to determine the materiality of an event/ information.

➤ **REVIEW AND AMENDMENT OF POLICY:**

The policy shall be subject to review as may be deemed necessary and in accordance with any statutory/regulatory requirements and can be amended depending upon the circumstances and situations from time to time by the Board of Directors.

➤ **WEBSITE:**

As per the provisions of the listing regulations, the policy shall be disclosed on the website of the company.

ANNEXURE A

EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION 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 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 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 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.
- (7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- (7B) Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
- i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.

- ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there are no other material reasons other than those provided.
 - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.]
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;
 16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
 - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

- 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;
- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- 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;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- m) Any other material information not involving commercial secrets.]

ANNEXURE-B

An event / information of the below mentioned nature and as listed in Para B of Part A of Schedule III of Regulations shall be considered as a Material Event in case of fulfilling of the criterion as specified against it.

Sr.no	Particulars	Thresholds
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	Not Applicable
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).	If Likely impact of such arrangement exceeds 10% of the consolidated profit before tax as per the latest audited annual financial statements.
3.	Capacity addition or product launch. Note: since the Company is into real estate development)	<p>Acquisition of land / land development rights: If the cost outlay (including deposit, taxes and incidental costs) exceeds 20% of the consolidated net worth as per the latest audited annual financial statements subject to the cost outlay being at least Rs. 100 Crore. <i>Time of occurrence of event: On signing of definitive agreements.</i></p> <p>Launch of residential /commercial projects meant for sale: If the total anticipated sale value of the project, including all phases if any, exceeds Rs 200 crore.</p> <p>It is clarified that incase of launch of project in phases; the relevant disclosure will be made at the time of launch of first phase.</p> <p>Time of occurrence of event: On</p>

		Project getting registered under RERA.
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	<p><u>Awarding/ bagging/ receiving /termination: If the value of order / contract exceeds 20% of the consolidated net worth as per the latest audited annual financial statements, subject to the value of order / contract being at least Rs. 100 Crores.</u></p> <p><u>Amendment of such orders /contracts: If the value of amendment exceeds 20% of the latest value of the order / contract.</u></p>
5.	Agreements (viz. loan agreement(s) (as a borrower) or other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination (s) thereof.	<p>Signing / obtaining / terminating of agreement: If the value of such agreement exceeds 20% of the consolidated net worth as per the latest audited annual financial statements, subject to the value of agreement being at least Rs. 100 crore.</p> <p>Amendment of such agreement: If the value of amendment exceeds 20% of the latest outstanding value of the agreement.</p>
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.	<p><u>In case of on-going projects :</u> If the operations are likely to be disrupted for a period more than 90 days and the likely impact of disruption exceeds 20% of the consolidated profit before tax as per the Latest audited annual financial statements subject to the impact being at least Rs.25 Crore.</p> <p><u>In case of completed project or part thereof:</u></p>

		If the operations are likely to be disrupted for a period more than one week and the likely impact of disruption exceeds 20% of the consolidated profit before tax as per the Latest audited annual financial statements subject to the impact being atleast 25 Crores
7.	Effect(s) arising out of change in the regulatory framework applicable to the listed entity	If the likely impact of such change exceeds 20% of the consolidated profit before tax as per the Latest audited annual financial statements subject to the impact being at least Rs 25 Crore.
8.	Litigation(s) / dispute(s) / regulatory action(s) with impact.	<p><u>Litigation involving P & L impact:</u> If the claim under the litigation exceeds 20% of the consolidated profit before tax as per the latest audited annual financial statements subject to the impact being at least Rs. 10 Crore.</p> <p><u>Litigation involving Balance Sheet impact:</u> If the claim under the litigation exceeds 20% of the consolidated net worth as per the latest audited annual financial statements subject to the claim being at least Rs. 100 Crore.</p>
9.	Fraud/defaults etc. by directors (other than key managerial personnel) employees of listed entity.	If the impacts (on the results of the company) of the fraud/ default by the directors (other than Key managerial personnel) or employees, exceeds 1% of the consolidated profit before tax as per the latest annual audited financial statements subject to the impact being at least Rs. 1 Crore.
10.	Options to purchase securities including any ESOP/ESPS Scheme.	If the option entails creation of equity shares exceeding 1% of the total equity shares as on the date

		of passing of the Board resolution.
11.	Giving of guarantees or indemnity or becoming a surety for any third party.	If the value of such guarantees or indemnity or surety exceeds 20% of the consolidated net worth as per latest annual audited financial statement subject to the value of the guarantees / indemnity / surety being at least Rs. 100 Crore.
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	<p>Key licenses or regulatory approvals are those which impact the ability of the Company to function as a real estate developer and not the routine licenses /approvals required during the course of construction / development of a project.</p> <p>Granting /surrender of such key licenses or regulatory approvals: To be disclosed at the time of grant/surrender, as the case may be.</p> <p><u>In case of withdrawal / cancellation / suspension of such key licenses or regulatory approvals:</u> <u>If the likely time period for revival of license /approval which has been withdrawn /cancelled /suspended is more than 6 months.</u></p>