

USHDEV INTERNATIONAL LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

Date of Issue: 15th January, 2016

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

As per Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015, the listed entities are required to frame a policy for determination of materiality of events or information and to ensure that such information is adequately disseminated to the stakeholders.

Accordingly the Board of Directors of the Company has adopted this Policy on 15th January, 2016 which shall come into force from 15th January, 2016.

Objective:

The objective of this Policy is:

- a) To ensure compliance with the Listing Regulations, various Securities Laws and any other regulations (in India and Overseas)
- b) To ensure continuous, timely, transparent and adequate disclosure of events/information to the investors.
- c) To ensure that to the best of knowledge of the Management, the documents and public statements are accurate and free from misrepresentation.
- d) To protect the confidentiality of material/price sensitive information.

Disclosure of Events/information:

The Company shall make disclosure of any event or information which in the opinion of the Board of Directors is material.

- a) Events/information specified in Para A of Part A of Schedule III of the Regulation 30 and as amended from time to time, shall be considered as Material and disclosure of such events shall be made to the Stock Exchange. For details of events - please refer - Annexure-1.
- b) Events specified in Para B of Part A of Schedule III of the Regulation 30, as amended from time to time, shall be disclosed to the Stock Exchange based on application of guidelines for materiality of events/information. For details of events/information - please refer - Annexure-2.
- c) The Company shall make disclosure of any event or information which in the opinion of the Board of Directors is material. In case where an event occurs or information is available with the Company which has not been indicated in Annexure -1 and 2 but which may have material effect, the Company would make a disclosure of the same.

The Company shall disclose to the Stock Exchange of all events specified in para A of Part A of Schedule III as soon as reasonably possible but not later than 24 hours from the occurrence of the event/information as specified in sub-regulation (6) of Regulation 30. In the event disclosure is made after 24 hours of the occurrence of event/information, the Company shall along with such disclosures provide an explanation for the delay. As regards disclosure of

event/information specified in item 4 of Annexure -1, the same shall be made within 30 minutes of conclusion of the Board Meeting.

The Company shall make disclosure updating material development on a regular basis till such time the event is resolved/closed, with relevant explanations.

The Company shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to Stock Exchange(s) reported in the media.

Guidelines for determining materiality of Events or Information:

Material events means any information relating to the Company, if published is likely to affect the price of the shares of the Company. The following criteria will be considered for determination of materiality of events:

- a) The omission of an event or information which is likely to result in discontinuity or alternation 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 in sub-clause (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the Board of the information is considered material

Authorisation for Disclosure of Events and Information:

The information mentioned in Annexure 1 and 2 and any other event/information required to be disclosed to the Stock Exchange(s), shall be forthwith informed to the Authorised Persons along with the requisite supporting data on happening of an event to enable them to report promptly. On receiving such data, the Authorised Persons shall ascertain the materiality of the event/information and on completion of the assessment, if required disclose it to the Stock Exchange(s).

The Authorised Persons shall:

- a) review and assess an event/information that may be material and require disclosure at a given point of time.
- b) if required, seek advice or guidance from internal/external stakeholders.
- c) determine the appropriate time at which the disclosures are to be made to Stock Exchange(s) based on the happening of an event.
- d) disclose developments that are material in nature on regular basis till such time the event/information is resolved/closed.

Mr. Arvind Prasad, Managing Director & CEO and Mr. Ashwin Rathi, Managing Director & CFO of the Company shall severally have the authority to determine Materiality of any event or information and ensure disclosures of the same to the Stock Exchange(s), subject to the provisions of this Policy.

Contact details:

Name	Designation	Address	Tel No.	Email
Mr. Arvind Prasad	Managing Director & CEO	Flat No. 401, Kismet Residency, Plot No. 526, Road No. 12, Chembur, Mumbai – 400 071.	64948888	ap@ushdev.com
Mr. Ashwin Rathi	Managing Director & CFO	C-704, Prestige Towers Nr. Chief Justice Bungalows, Bodakdev Ahmedabad – 380 054.	64948888	ar@ushdev.com

Communication and Dissemination of the Policy:

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company’s policy for Preservation and Archival of Documents.

Amendments:

The Board may amend this policy from time to time as they may deem fit and/or to incorporate any subsequent amendments or modifications in the Listing Regulations in respect to matters covered under this policy or otherwise.

Annexure-1

Events which shall be disclosed without any application of the guidelines for Materiality:

Schedule III, Part-A, Para-A	Events
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 credit rating(s).
4	<p>Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:</p> <ul style="list-style-type: none"> 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 Company 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 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 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 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 meet and presentations on financial results made by the Company to analysts or institutional investors.

Annexure B

Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:

Schedule III, Part-A, Para-B	Events
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 Company 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 Company;
8	Litigation(s) / dispute(s) / regulatory action(s) with 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 guarantees or indemnity or becoming a surety for any third party;
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals