

# **ASHOKA BUILDCON LIMITED**

## **POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES**

The Policy applies for disclosure of material events occurring within Ashoka Buildcon Limited and its Subsidiaries. This Policy is in addition to code of corporate disclosure dealing with dissemination of unpublished price sensitive information.

### **1. Authorised Person**

The Chief Financial Officer (“CFO”) will be the custodian of the disclosure procedure.

In the absence of CFO, his functions shall be carried out by the Company Secretary & Compliance Officer on the instructions of the Managing Director.

The CFO and/or Company Secretary of the Company shall have the authority to make materiality and distribution determinations as per this Policy with respect to the information to be disclosed.

### **2. Assessment of Materiality**

Any information is treated as “material” if there is a substantial likelihood that an investor would consider it important in making a decision to buy, sell or hold the security or the fact likely to have significant impact on the market price of the security. Material information may be positive or negative.

Materiality shall be decided on case to case basis which depends on specific facts and prevailing circumstances in respect of the information. Materiality may be either quantitative or qualitative.

Financial information is generally treated as price sensitive like financial results, declaration of dividend, purchase or sale of shares etc. The following items would normally be regarded as material;

- Financial Results;
- Significant corporate events like proposed acquisition, disposal of investments;
- Future plans to venture into new areas;
- Status of progress of the Projects;
- Changes in Auditors, Registrar and Share Transfer Agent;
- Corporate actions like Bonus / Rights Issue, sub-division;
- Development in outstanding litigation or other regulatory matters which may have positive or negative impact; or
- Undisclosed changes in Board of Directors or Key Managerial Persons, Senior Management;
- Award of or bagging of Projects / Contracts or any amendments / termination of such Projects/contracts;
- Financial arrangement with Lenders, strategic acquisition

It is clarified that the events listed in Schedule III, Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") shall be disclosed without materiality criteria.

The following information also needs to be considered while arriving at materiality criteria.

- The consideration involved in the transaction as a percentage to consolidated turnover of the Company;
- Whether the transaction is in the ordinary course of business;
- Whether the transaction is with related party;
- Whether consideration involved in the transaction as a percentage to company's assets / net worth

The Policy shall be automatically revised in case any amendments to the Regulations. Further these Regulations or provisions of any other Law or Act shall prevail over the provisions of this Policy.

The Policy has been reviewed by the Board of Directors at its meeting held on March 15, 2019 and shall be effective from April 01, 2019 in compliance with SEBI LODR Amendment Regulations, 2018.