

**POLICY FOR DETERMINATION OF  
MATERAILITY OF EVENTS AND INFORMATION  
OF  
A B INFRABUILD LIMITED**

## Introduction

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) requires every Listed Company to disclose events or information which, in the opinion of the Board of Directors of a Company are material.

In this context, this Policy for Determination of Materiality of Events or Information has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India under Regulation 30 of the Listing Regulations, with respect to disclosure of events and information.

Accordingly the Company is required to immediately inform the Stock Exchanges of all the events which will have bearing on the performance / operations of the Company as well as any price sensitive information as mentioned in this policy.

## Objective

The objective of this Policy is to:

- 1) ensure that A B INFRABUILD LIMITED (“the Company”) immediately (meaning, 'promptly and without delay') discloses all price sensitive information to Stock Exchanges in accordance with the Listing Agreement;
- 2) ensure that the Company's designated employee (as defined in the Prevention of Insider Trading Code adopted by the Company) are aware of the Company's continuous disclosure obligations; and
- 3) establish procedures for:
  - (i) the collection of all potentially price sensitive information;
  - (ii) assessing whether information must be disclosed to Stock Exchanges under the Listing Regulation;
  - (iii) releasing to the Stock Exchanges information determined to be price sensitive information and to require disclosure; and
  - (iv) Responding to any queries from Stock Exchanges.

## Scope

The Policy aims to identify and define the events or information which should be construed as material and ought to be disclosed to the stock exchanges within the time as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Definitions

“**Board**” means the Board of Directors of the Company.

“**Key Managerial Personnel**” means the Key Managerial Personnel of the Company as defined under Section 203 of the Companies Act, 2013

“**Policy**” means Board Policy for determination of material events or information.

“**Regulations**” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments thereto.

## **Disclosure**

- 1) The Board is responsible for approving and monitoring compliance with this policy.
- 2) The Board has authorized the Compliance officer of the Company, or his delegate, to have responsibility for:
  - (a) deciding if information should be disclosed to the Stock Exchanges;
  - (b) ensuring compliance with the Company's continuous disclosure obligations;
  - (c) establishing a system to monitor compliance with the Company's continuous disclosure obligations and this policy;
  - (d) monitoring regulatory developments so that amendments necessary to ensure that this policy continues to conform with those requirements can be considered by the Board

## **Determination of materiality of events / information**

The following criteria will be considered while determine materiality of events /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
- (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.

## **Deciding if information should be disclosed**

- 1) If designated employee of the Company becomes aware of any information at any time that should be considered for release to the market, it must be reported immediately to the Compliance officer. It is important for designated employee of the Company to understand that just because information is reported to the Compliance officer that does not mean that it will be disclosed to the Stock Exchanges. It is for the Compliance officer to determine whether information is material and requires disclosure.
- 2) The Compliance officer is responsible in the first instance for deciding if information should be disclosed. Accordingly, all potentially price sensitive information must be given to the Compliance officer, or in his absence, his delegate for their consideration as to whether such information needs disclosure.

Examples of the types of information that may need to be disclosed under the Listing Agreement including some minimum information to be stated in disclosures are provided in Annexure A.

## **Authorization to Key Managerial Personnel for determining the materiality of event or information**

The Board shall authorize one or more Key Managerial Personnel ('Authorised persons') for the purpose of determining the materiality of event or information and reporting of such events or information to the stock exchanges. The contact details of such Key Managerial Personnel shall be disclosed to the stock exchanges and also posted on the website of the Company.

The Board may from time to time designate or nominate any other Key Managerial Personnel for the purpose of

compliance with the provisions of Regulation 30(5). Any such change shall be duly intimated to the stock exchanges and notified on the Company's website.

#### **Public release of disclosed information**

- 1) The Company shall first disclose to stock exchange(s) of all events or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information:

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

- 2) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.
- 3) The Company will publicly release all information disclosed to the Stock Exchanges under this policy by placing it on its website for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on website.
- 4) The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

Such information must be publicly discussed or otherwise publishing in any manner only after it is first disclosed to Stock Exchange and the Compliance Officer receives confirmation from the Stock Exchanges that the information has been released to the market.

#### **Review and changes**

- 1) The Compliance officer, in consultation with the Board, will review this policy as often as it considers necessary.
- 2) The Board may change this policy from time to time by resolution.

#### **Approved and adopted**

This policy was approved and adopted by the Board on 7<sup>th</sup> December, 2016 to be implemented from 7<sup>th</sup> December 2016.

### **3. Enforcement of the Policy**

The Policy shall be enforced with effect from the date of its approval by the Board. The Company Secretary shall be authorized to communicate the Policy to all concerned and to ensure the effective implementation thereof.

## Annexure A

Types of events/ information that shall be disclosed under the Listing Regulations

### **A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):**

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 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 362[independent director] 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. The letter of resignation along with 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.
    - (ia). Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
    - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is 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) and (ii) 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;

**B. Events which shall be disclosed upon application of the guidelines for materiality referred sub- regulation (4) of regulation (30):**

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 which is exclusively known to the listed entity, in such case, to enable the holders of securities of the listed entity to appraise their position and to avoid the establishment of a false market in such securities, such information/ event is necessary to be know by the holders of securities.
- D.** Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make Disclosures of event/information as specified by the Board from time to time.