

## POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

### 1. OBJECTIVES:

- a. This policy for determination of materiality of events or information (the “**Policy**”) is aimed at providing guidelines to the management of Dilip Buildcon Limited (the “**Company**”), to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the stock exchanges where the Company proposes to list or is listed (the “**Stock Exchanges**”).
- b. This Policy has been formulated in accordance with the provisions stipulated under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**Listing Regulations**”), with respect to disclosure of events and information. Pursuant to the Listing Regulations, the board of directors of the Company in its meeting held on 22<sup>nd</sup> January, 2016 approved this Policy. This Policy shall be effective from the date of listing and trading approval received from the Stock Exchanges.

### 2. 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**” means the board of directors of the Company, as constituted from time to time.

“**Listing Agreement**” shall mean an agreement to be entered into between the Stock Exchanges and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015.

“**Material Event**” or “**Material Information**” shall mean such event or information as may be determined in terms of Clause 5 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.

Any other term not defined herein shall have the same meaning as defined under the Act, the Listing Agreement, the Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

### **3. DISCLOSURE OF EVENTS OR INFORMATION:**

- a. The Company shall make disclosure of events specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality to the Stock Exchanges within the specified timelines.
- b. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations, based on determination of Materiality of Events or Information as specified in Clause 5 of this Policy.
- c. The Company shall disclose the information to the Stock Exchanges in accordance with the Listing Regulations and circulars issued by the Securities and Exchange Board of India (the “SEBI”) from time to time.
- d. Any other event or information namely major development that is likely to affect business, such as emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the shareholders of the Company to appraise its position and to avoid the establishment of a false market in such securities, would be disclosed as advised by the Board from time to time.
- e. All such events or information which has been disclosed to the Stock Exchanges under the Listing Regulations shall be made available on the Company’s website. Such events or information shall be placed on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website. The Policy and the contact details of the persons authorized by the Board shall be available on the website of the Company

### **4. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION:**

The Company shall consider the following criteria for determination of Materiality of Event or 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 the event where the criteria specified in sub-clauses (a) and (b) of this Clause are not applicable, an event or information may be treated as being material if in the opinion of the Board, the event or information is considered material.

**5. DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION:**

The Company shall consider determining materiality thresholds (on a consolidated basis) of certain events, as set out below:

- i. in relation to litigation or dispute which is quantifiable, the amount involved of 5% or more of the revenue, assets/ liabilities or net profit after tax (whichever is the lowest) may be considered;
- ii. in relation to commencement or any postponement in the date of commencement of commercial operations of any unit or division, units or divisions that contribute 10% or more to the revenue, assets/ liabilities or net profit after tax (whichever is the lowest) may be considered;
- iii. in relation to capacity addition or product launch, capacity addition or new product that is likely to contribute 5% or more to the revenue, assets/ liabilities or net profit after tax (whichever is the lowest) may be considered.]

**6. AUTHORISATION FOR DISCLOSURES:**

The Board has authorised the Chairman, the Managing Director and Whole Time Director severally or the Chief Financial Officer and the Company Secretary jointly for the purpose of determining materiality of an event or information and to make disclosures to the Stock Exchanges.

**7. SCOPE AND LIMITATION:**

In the event any provisions of this Policy are contrary to or inconsistent with the Listing Agreement, the Act, the Listing Regulations or the circulars issued by SEBI in this regard or any other applicable law, this Policy shall stand modified to that extent.

**8. AMENDMENT:**

The Board reserves the right to amend or modify this Policy in whole or in part, as may be required, at any point of time, subject to applicable laws.