

# **ASHOKA BUILDCON LIMITED**

## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENT AND INFORMATION**

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 This Policy is in addition to code of corporate disclosure dealing with dissemination of unpublished price sensitive information.

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which came into effect on December 1, 2015 and which has been amended from time to time., requires the Company to frame a Policy for determination of materiality for disclosure of events or information ("Policy") to BSE Limited and National Stock Exchange of India Limited (the "Stock Exchanges"), based on the criteria specified in the Listing Regulations. The Policy is also required to be disclosed on the website of the Company.

The Company shall be required to adhere to the reporting/ disclosure requirements, which shall arise out of the provisions of the Listing Regulations. Under the Listing Regulations, every listed Company has to make disclosures in two scenarios, namely, mandatory disclosures in respect of items as outlined in Part A of Schedule III of the above Regulations and disclosures upon application of guidelines for materiality as per list provided in Part B of the above Schedule. The mandatory disclosures have to be made without application of the guidelines for materiality; while in the later circumstance, the Company to make disclosure of events based on application of the guidelines for materiality, as specified in the Listing Regulations.

The events/information that would be disclosed as presently prescribed by Securities and Exchange Board of India vide master circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 ("Master Circular").

### **SCOPE OF THE POLICY**

The Policy will be applicable to all the events which fall under the criteria as disclosed under the section relating to "Disclosure of events or information to Stock Exchanges". This Policy shall be read along with the Company's Policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (fair disclosure code) framed in adherence to the principles for fair disclosure as outlined in the Listing Regulations.

### **DEFINITIONS**

The words and expressions used but not defined herein shall have the same meaning as assigned to those words and expressions under the SEBI Listing Regulations. If any words and expressions is/are not defined in the Listing Regulations such words and expressions shall have the same meaning as assigned to those words and expressions under the Companies Act, 2013, the

Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

**“Relevant Employees”** shall encompass the Senior Managerial Personnel and Business / Functional Heads of the Company and shall include employees of the Company who deal with or comes into possession of potential material event or information in the course of the performance of their r duties.

### **Authorised Person**

The Managing Director, Executive Director, and/or Chief Financial Officer (**“CFO”**) will be the custodian of the disclosure procedure, to determine the materiality of an event or information and for the purpose of advising on the disclosure to the stock exchanges through the Company's Authorized Official designated under the Company's code of fair disclosure.

Any decision taken by them jointly or severally shall be valid and binding on the Company. Their contact details shall be disclosed to the stock exchange and also be placed on the Company's website.

However, wherever required, and considering any specific/ significant circumstances including business exigency/ calamities which may arise, either simultaneously or subsequently, approval of the Board / Executive Committee or Chairperson of the Board may be taken for disclosing any such event or information.

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.

The Authorized Officer(s) shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any event/information.

### **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.

#### **Quantitative Criteria**

- a) In respect of events / information stated in Table A, the Authorized Officer(s) shall consider the following criteria for determination of materiality of events/information:
- b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available in public domain; or
- c) 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; or
- d) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
  - 2 (two) percent of turnover, as per the last audited consolidated financial statements of the Company;
  - 2 (two) percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
  - 5 (five) percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.
- e) In case where the criteria specified in sub-clauses (a), (b) and (c) above is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

#### **Qualitative Criteria:**

- In addition to above quantitative criteria the following Qualitative factors shall also be considered for determination of materiality of event/ information:
- Any event/ information which directly or indirectly may materially affect the reputation of the Company; or
- Any event/ information, which if not disclosed promptly may lead to creation of false market in the securities of the Company; or
- Whether the event/ information is in the normal course of business or not; or
- Whether the event/ information represents a significant shift in strategy; or
- Any other factor which is pertinent in the opinion of Authorized Officer(s) of the Company.
- In case where the criteria specified in sub-clauses (a), (b) and (c) above is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

Following parameters along with SEBI LODR Regulations read with SEBI Master Circular for determination of materiality to be applied for the Company and its subsidiaries:

<b>Event or information related to</b>	<b>Events / Information enlisted in</b>	<b>Parameters to be applied for determining materiality</b>
Ashoka Buildcon Limited	Para A of Schedule III (Annexure I)	Deemed material*
Ashoka Buildcon Limited	Para B of Schedule III (Annexure II)	Factors prescribed in Clause II.
Ashoka Buildcon Limited	Items other than Para A & Para B	Factors prescribed in Clause II c and d and Clause III.
Subsidiary of Ashoka Buildcon Limited	Para A of Schedule III (Annexure I)	Factors prescribed in Clause II and Clause III.
Subsidiary of Ashoka Buildcon Limited	Para B of Schedule III (Annexure II)	Factors prescribed in Clause II c.

- I. The Company shall also disclose all such events/information with respect to subsidiaries, if any, which are considered material for the Company.
- II. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- III. The Company may on its own initiative also, confirm or deny any reported event/information to stock exchange(s).

#### **TIMELINES FOR DISCLOSURE OF MATERIAL EVENT OR INFORMATION**

1. An event or information, required to be disclosed in terms of this policy, or in terms of Regulation 30 of the Listing Regulations, shall be disclosed, as soon as reasonably possible and in any case not later than the following:
  - i. 30 (thirty) minutes from the closure of the meeting of the board of directors, in which the decision pertaining to the event or information has been taken; or
  - ii. 12 (twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity; or
  - iii. 24 (twenty-four) hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity.

In terms of the SEBI Circular dated December 12, 2024, if the meeting of the board of directors closes after normal trading hours (after 3.31 p.m.) but more than three hours before the beginning of the next normal trading hours, then the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

Provided further that in case of board meetings being held for more than one day, the financial

results shall be disclosed within thirty minutes or three hours, as applicable, from closure of the meeting for the day on which it has been considered.

Without prejudice to the above, disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the Listing Regulations, shall be made within such timelines.

Provided further that in case the disclosure is made after the timelines specified above of the occurrence of such event/ information, the Company shall, along with such disclosure(s) provide an explanation for the delay.

Provided that if there is a claim against a Company under any litigation or dispute, other than tax litigation or dispute and if all the relevant information is maintained in the structured digital database of the Company in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the Company.

The Company shall disclose to the stock exchange(s) material updates on the events/ information disclosed under this Policy till such time that the event is resolved/ closed, with relevant explanations.

Without prejudice to the generality of provisions of this policy, the Company may make disclosures of any event / information as specified by the Board from time to time.

#### **TIMELINES FOR DISCLOSURE OF MATERIAL EVENT OR INFORMATION**

The relevant employees of the Company shall be under an obligation, to disclose to the Authorized Officer(s), any event or information, for which they have knowledge, and which may be deemed to be material in terms of this policy as soon as they are in know of aware of it.

The Authorized officer(s) shall, in turn determine the materiality of such event or information, according to provisions of this Policy and SEBI Listing Regulations, make necessary disclosures to the Stock Exchange, if required.

#### **MECHANISM TO BE ADOPTED FOR IDENTIFYING AND REPORTING POTENTIAL MATERIAL EVENT/INFORMATION BY RELEVANT EMPLOYEES**

- During the course of performance of one's role, the relevant employee/(s) shall be responsible for identifying pertinent events/information as mentioned in Annexure I & II which has potential to be classified as material events/information as per the policy.

- Explanation: For the purpose of determination of material events / information, the value or expected impact in terms of value for each event or transaction shall be compared with the quantitative threshold as mentioned in Clause II C specified in this policy.
- Upon identification of potential material events/information, the relevant employee shall promptly report the details of such potential material events/information in the format as mentioned in Annexure III to the Authorized Officer(s).

**Mode of Communication:**

- The aforesaid details can be submitted to the authorized Officer(s) by the relevant employee using written communication methods such as emails, internal memos, or any other appropriate means.
- The details so submitted shall be authentic and comprehensive to enable the Authorised Officer(s) to make informed decision / take appropriate actions. The relevant employees should exercise necessary diligence to ensure confidentiality of the details being submitted/so submitted to the Authorised Officer(s).
- The relevant employees may approach the Authorised Officer(s) for seeking guidance /clarity to ensure effective implementation of this policy.
- The Company Secretary of the Company may conduct periodic trainings/sensitization programmes and/or release FAQs, referendum, framework to further assist relevant employees for effective implementation of this policy.

**DISCLOSURE OF CERTAIN AGREEMENTS TO WHICH LISTED ENTITY IS NOT A PARTY**

All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of Company, who are parties to the Specified Agreements, shall inform the Company about the agreement to which Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements, and the Company shall in turn disclose all such agreements to the Stock Exchanges and on its website.

**Specified Agreements:**

Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, including any rescission, amendment or alteration of such agreements, whether or not the Company is a party to such agreements;

Provided that such agreements entered into by Company in the normal course of business shall not be included in above definition, unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company.

#### **DISCLOSURES ON WEBSITE**

The Company shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of 2 (two) years and thereafter as per the archival process followed by the Company.

#### **AMENDMENTS TO THE POLICY**

Any subsequent amendment / modification in the SEBI Listing Regulations or any other governing Act / Rules / regulations or re-enactment or circulars, Clarifications, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall stand amended to that extent from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

Format for Submission of Information to Compliance Officer (to be filled by the Nodal Officer/Designated Person)

S. No.	Question	Remarks
1.	Name of the Department	
2.	Name and Designation of originator of Information	
3.	Details of events/Information	
4.	Analysis/working, if any. (For impact of such information on Company)	
5.	Source of Information	
6.	Calendar of Events/milestones (date wise)	
7.	Name of Persons with whom such information is shared along with PAN/other identifier detail in absence of PAN (internal/external)	

I, \_\_\_\_\_, hereby undertake that the aforementioned information provided by the undersigned is true and to the best of my knowledge. The information is provided in compliance with the Regulation 30 of the SEBI (Listed Obligations and disclosure requirements). The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the circumstances:

- a) Under any proceedings or pursuant to any order of courts or tribunals.
- b) For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law; and
- c) In compliance with applicable laws, regulations, rules, and requirements.
- d) In order to fulfil his/her duties/obligations

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Name and Signature:

Place:

Date:

The Policy has been reviewed and revised by the by the Board of Directors at its meeting held on March 20, 2025 and shall be effective from immediate effect in compliance with SEBI Listing Regulations.