

1. BACKGROUND

The Company's securities are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("**Listing Regulations**"). Listing Regulations mandate listed entities to formulate a Policy for determining materiality of events or information that warrant disclosure to its stakeholders. It is in this context that the Policy on Determination of Materiality for Disclosure(s) ("Policy") is being framed and implemented.

All words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, as amended, and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

2. SCOPE OF THE POLICY

The Policy applies in respect of disclosure of material events in relation to the Company and its subsidiaries. All events or information with respect to subsidiaries which are material for the Company shall also be disclosed as per this Policy.

This Policy shall be read along with the Company's policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (code of fair disclosure) framed in adherence to the principles for fair disclosure as outlined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

3. PERSONS AUTHORIZED TO DETERMINE MATERIALITY

The Managing Director & CEO and the Chief Financial Officer and the Company Secretary of the Company will be the authorized persons ("**Authorised Persons**") for determining the materiality of an event or information and for the purpose of making disclosures to the stock exchanges. The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- a. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- d. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.

- e. To disclose all events or information with respect to the subsidiaries which are material for the Company.

The Senior Management Personnel and such other persons, as determined by the aforesaid Authorized Persons shall be the “relevant persons: for the purpose of this policy, to identify potential event or information pertaining to their functional roles and report the same to the aforesaid Authorized Persons.

4. MATERIALITY ASSESSMENT

Information should be regarded as “material” if there is a substantial likelihood that a reasonable investor would consider such information important in making a decision to buy, sell, or hold a security or where such information is likely to have a significant effect on the market price of the security. Either positive or negative information may be material.

5. MATERIALITY THRESHOLDS

The following criteria shall be considered for determination of materiality of events/ information:

Qualitative criteria

- 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; or

Quantitative criteria

- c. the omission of an event or information, whose value or the expected impact in terms of value, **exceeds the lower of the following:**
 - i. 2% of turnover, as per the last audited consolidated financial statements of the Company
 - ii. 2% 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;
 - iii. 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company

In case where the above criteria are not applicable, an event or information may be treated as being material if in the opinion of the Board of directors of the Company, the event or information is considered material.

6. DISCLOSURE OF EVENTS OR INFORMATION TO STOCK EXCHANGES

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. The approach for determining materiality

will be both qualitative and quantitative criteria which are outlined in this policy.

- a. Events specified in Para A of Part A of Schedule III of the Listing Regulations (as amended from time to time) shall be deemed to be material events and the Company shall make disclosure of such events without application of the materiality threshold.
- b. Events specified in Para B of Part A of Schedule III of the Listing Regulations (as amended from time to time), shall be based on application of the guidelines for materiality, as specified in para 5 above.

7. TIMELINES FOR DISCLOSURE OF EVENTS OR INFORMATION TO STOCK EXCHANGES

- a. The Company shall disclose to the stock exchange(s) all events or information which are material as soon as reasonably possible and in any case not later than the following:
 - i. 30 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;
 - ii. 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
 - iii. 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company;
- b. 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.
- c. In case a disclosure is made after the timelines specified above, the Company shall, along with such disclosure provide the explanation for the delay.
- d. Material developments on aforesaid disclosures shall be made on a regular basis, till such time the event is resolved/closed, with relevant explanations.

8. DEALING WITH MARKET RUMOURS

The Company shall confirm, deny or clarify any reported event or information in the mainstream media, which is not general in nature and indicates that rumours of an impending specific material event or information that are circulating amongst the investing public and also provide the current stage of such event or information.

9. GUIDANCE ON WHEN AN EVENT/INFORMATION IS DEEMED TO HAVE OCCURRED

- a. Events/information shall be deemed to have occurred upon approval of board of the Company in certain events (for eg further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board and shareholders of the Company).



POLICY FOR DETERMINATION OF MATERIALITY

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Approved by: Board of Directors on
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- b. Certain events which are price sensitive in nature will be deemed to have occurred and disclosed on approval of the Board of the Company pending shareholder's approval for eg declaration of dividend.
- c. In matters which would depend on the stage of discussion, negotiation or approval, the events/information can be said to have occurred upon receipt of approval by the Board of Directors or after receipt of approval of the Board of Directors and shareholders, as the case may be.
- d. Events such as natural calamities or disruption can be said to have occurred when the Company becomes aware of the event/information.

10. DISCLOSURES ON WEBSITE

The Company shall disclose on its website all such events or information which have been disseminated to the Stock Exchanges under this Policy for a minimum period of five years and thereafter as per the archival process followed by the Company.

11. POLICY LIMITATION AND AMENDMENTS

In the event of any conflict between this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

Material Changes to the Policy will need the approval of the Board of Directors.

12. CONTACT DETAILS OF COMPLIANCE OFFICER

Questions or clarifications about the Policy or disclosures made by the Company may be referred to the Company Secretary who is in charge of administering and enforcing this policy.

Contact details:

Name	Designation	Email Id	Contact details
Sanjyot Rangnekar	Company Secretary & Compliance officer	investor.relations@lodhagroup.com	91 022 6133 4400
