

BACKGROUND & OBJECTIVES

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which is applicable with effect from December 1, 2015, requires every listed company, whose specified securities are listed on any recognized stock exchange(s) to frame a Policy for Determination of Materiality ("Policy"), duly approved by the Board of Directors.

The objective of the Policy :

1. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations.
2. To ensure that the information disclosed by the Company is timely and transparent.

DEFINITIONS

"Company" means Larsen and Toubro Infotech Limited.

"Material Events/Information" means events/information determined based on application of the guidelines for materiality referred in sub-regulation (4) of Regulation 30 of the Listing Regulations.

"Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

"Policy" means Policy for Determination of Materiality.

"Subsidiary" or "Subsidiaries" means Subsidiary or Subsidiaries of Larsen & Toubro Infotech Limited.

"Specified Securities" means 'specified securities' as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.



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POLICY

A) Applicability

This Policy applies only to events specified in Para B of Part A of Schedule III of the Listing Regulations.

B) Authorised Persons

The Chairman or Chief Executive Officer & Managing Director have authority to determine the materiality of any events/information. The Company Secretary or Chief Financial Officer or any other Executives of the Company authorised by the Chairman and/ or the Chief Executive Officer & Managing Director in consultation with the Chairman and/or Chief Executive Officer & Managing Director of the Company shall have the authority to determine the materiality of any Events/information, classify it as a material event/information and to decide the appropriate time at which disclosure is to be filed with Stock Exchange(s).

However, event/information which are classified as material should be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of the event or information.

The event/information may pertain to the Company and/or its Material Subsidiaries.

(An illustrative list of Material Event or Information as mentioned above, which would require reporting to Stock Exchange(s), is attached as Annexure 1)

C) Criteria of determination of materiality of Events

The Authorised Persons shall frame their opinion on a case to case basis, based on specific facts and circumstances relating to materiality of the information/event and while doing so, it may consider, among other factors, the following factors:

- i. The omission of an event or information, which would likely result in discontinuity or alteration of event or information already available publicly; or
- ii. The omission of an event or information which would likely result in significant market reaction if the said omission came to light at a later date.
- iii. In case where the criteria specified in above point (i) and (ii) 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.

D) Review & Amendment

a. The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Chairman and Chief Executive Officer & Managing Director jointly have the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

b. In the event of any amendment(s), clarification(s), circular(s), provision(s) etc. issued by the relevant



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authorities, not being consistent with the provisions laid down under this Policy, then the same shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly.

ANNEXURE 1

Indicative List of Events/Material Information to be disclosed under Regulation 30(4)(ii) of the Listing Regulations:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any location.
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/location.
3. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
4. Disruption of operations of anyone or more locations of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
5. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company and its Material Subsidiaries.
6. Giving of guarantees or indemnity or becoming a surety for any third party.
7. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
8. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.