

MODULEX CONSTRUCTION TECHNOLOGIES LIMITED
(Formerly known as Tumus Electric Corporation Limited)

**Policy on Determination of Materiality of
Events / information and its disclosure to Stock Exchanges**

1. PREAMBLE:

- 1.1 This Policy (hereinafter referred to as “**Policy**”) shall be called “Policy on determination of materiality of events or information and its disclosure to Stock Exchanges” of Modulex Construction Technologies Limited (“**Modulex**”/ “**Company**”).
- 1.2 In terms of Regulation 30(4)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), every company which has listed its ‘Specified Securities’ is required to frame a policy for determining the materiality based on criteria specified in Regulation 30(4), duly approved by its Board on 14th February, 2019 which is to be disclosed on the website of the Company.

2. OBJECTIVES OF THE POLICY

The Company wishes to adopt the Policy to define the parameters / criteria to determine the materiality of events or information specified in the LODR Regulations with respect to the Company and its subsidiaries and its required disclosures to the Stock Exchanges.

3. DEFINITIONS:

“**Act**” means the Companies Act, 2013 read with Rules including the Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder, for the time being in force and as may be clarified, amended, reenacted from time to time.

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

“**Company**” means “Modulex Construction Technologies Limited” or also referred to as “Modulex”.

“**Material Events**” are those that are specified in Para A of Part A of Schedule III of the LODR Regulations.

“**Other Events**” are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified in sub regulation (4) of Regulation 30 of LODR Regulations.

“**Policy**” means Policy on Determination of Materiality of Events / Information and its disclosure to Stock Exchanges

“**Specified Securities**” shall have the meaning ascribed to the term in Regulation 2(1)(zl) of the LODR Regulations;

Words and expressions used and defined and/or used but not defined in this Code shall have the

same meaning assigned to them in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) or the Companies Act, 2013 and the rules and regulations made thereunder, to the extent relevant in connection with this Code, as the case may be or in any amendment thereto.

4. APPLICABILITY AND EFFECTIVE DATE OF THE POLICY

The Board of Directors of the Company have, at their Meeting held on February 14, 2019 decided to revise the existing Policy to incorporate the requirements of the Act and the LODR regulations. The Policy will supersede the provisions of the earlier Policy adopted by the Board of Directors.

5. CLASSIFICATION OF MATERIAL EVENTS OR INFORMATION

The Board of Directors of the Company shall determine the events which are classified under different categories to be material and / or other events having a bearing on the performance of the Company and on the share prices of the Company, which needs to be disclosed to the stock exchanges.

A. Material Events

The following events, as specified in Paragraph A of Part A of Schedule III of the SEBI Listing Regulations, shall be deemed to be material events and shall have to be disclosed to the Stock Exchanges as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information without any application of the guidelines for materiality as specified in sub-regulation (4) of Regulation 30 of Listing Regulations:

- 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 Company 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 Company holds shares or voting rights aggregating to 5 (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 2 (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 the meetings of the Board: The Company shall disclose to the Stock 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 Company 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 Company), 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 the Company or arrest of key managerial personnel or promoters of the Company.
- 7) Change in the Board of the Company, key managerial personnel (managing director, chief executive officer, chief financial officer, company secretary etc.), auditor and Compliance Officer.
 - A. 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.
 - B. Resignation of auditor 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. 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.
 - 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) 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 of the Company.
- 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 Company.
- 13) Proceedings of annual and extraordinary general meetings of the Company.
- 14) Amendments to memorandum and articles of association of the Company, in brief.
- 15) Schedule of analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.
- 16) The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
 - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - f) Appointment/ Replacement of the Resolution Professional;
 - g) Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - i) Number of resolution plans received by Resolution Professional;
 - j) Filing of resolution plan with the Tribunal;
 - k) Approval of resolution plan by the Tribunal or rejection, if applicable;
 - l) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
 - m) Any other material information not involving commercial secrets.

B. Events shall be disclosed upon application of Materiality guidelines

The Company shall disclose to stock exchange(s) of all events, as specified in Para B of Part A of Schedule III as reproduced below, based on application of the guidelines for materiality, as specified in sub-regulation (4) of Regulation 30 of Listing Regulations:

- 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 events (As per Para C of Part A of Schedule III)

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.

The Company shall, with respect to disclosures referred to in LODR Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations

6. DISCLOSURE OF EVENTS / INFORMATION ON SUBSIDIARIES

The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

7. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS/ INFORMATION :

The criteria for determining materiality of events/information have been listed out in

Regulation 30 (4) (i) of Listing Regulations, which are as under:

- 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 or committee of directors of the Company, the event / information is considered material.

8. AUTHORITY FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION

The following KMPs are authorized by the Board for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the Stock Exchange(s), where the securities of the Company are listed:

- (a) Managing Director;
- (b) Chief Financial Officer;
- (c) Whole Time Director
- (d) Company Secretary & Compliance officer; and.

The KMPs are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as may deem fit. The contact details of the KMPs shall be made available to the Stock Exchanges and shall also be available on the website of the Company.

The KMPs 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 appropriate time at which the disclosures are to be made to the stock exchanges based on assessment of actual time of occurrence of an event or information.
- c) To disclose the 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 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.

9. MARKET RUMOURS

The Company shall not comment, affirmatively or negatively, on market rumours. Should a stock exchange request that the Company make a definitive statement in response to a market rumor that is causing significant volatility in the securities of the Company, the authorized KMPs shall consider the matter and content of the Company’s response, such as confirming “no corporate development at this time” and shall provide specific and adequate reply on same.

10. Website Updation / Updates To Stock Exchanges

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention & archival policy of the Company.

11. POLICY REVIEW AND DISCLOSURE

In case of any subsequent changes in the Regulations which make any of the provisions in the Policy inconsistent with the Regulations, the provisions of the regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed by the Board of Directors as and when any changes are to be incorporated in the Policy due to change in regulations or as may be felt appropriate by the Board. Any changes or modification on the Policy would be approved by the Board of Directors and the decision of the Board in this respect shall be final and binding.

12. AUTHORITY AND AMENDMENTS TO THE POLICY

The Board, may, subject to applicable laws amend, alter, modify, substitute any of the provision(s) with a new provision(s) or replace this Policy entirely with a new policy from time to time based on the requirements as prescribed under the LODR Regulations.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

DISCLOSURE

This Policy shall be uploaded on the Company's website for investors and public information and a web link thereto shall be provided in the Board's Report as part of the Annual Report of the Company.