

POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS AND INFORMATION

1. SCOPE AND APPLICABILITY OF THE POLICY

This policy of Modulex Construction Technologies Limited has been adopted in accordance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), which requires every listed company to disclose material events or information to the Stock Exchanges.

2. OBJECTIVE OF THIS POLICY

- To determine materiality of an event or information as required under Regulation 30 (4) of SEBI LODR.
- Provide a mechanism for:
 - (i) assisting the employees in identifying any potential reportable/ material event/ information; and
 - (ii) reporting the same to the relevant Authorized Personnel.

3. MATERIAL EVENTS AND DISCLOSURE REQUIREMENTS

- Events specified in Para A of Part A of Schedule III to the SEBI LODR shall be considered material and be disclosed irrespective of application of materiality thresholds;
- Events specified in Para B of Part A of Schedule III to the SEBI LODR shall be disclosed subject to meeting materiality thresholds;
- Any other event/events considered Material by the “Authorized Personnel” shall be disclosed.

4. MATERIALITY THRESHOLDS

Quantitative criteria

Quantitative criteria would be calculated based on audited consolidated financial statements and would mean an event / information whose value involved or the expected impact in terms of value, exceeds the lower of the following:

- 2% of turnover, as per the last audited consolidated financial statement of the Company;
- 2% of net worth, as per the last audited consolidated financial statement of the Company, except in case the arithmetic value of the net worth is negative;
- 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.

Qualitative criteria

Qualitative criteria would mean:

- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- 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;
- any other event/information may be treated as being material if in the opinion of Authorised Personnel/ Board of Directors, the event / information is material.

5. TIMELINE FOR DISCLOSURE OF MATERIAL EVENTS OR INFORMATION

The Company shall first disclose to the Stock Exchanges all events or information which are material as soon as reasonably possible and, in any case, not later than the following:

- (i) 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.
- (ii) twelve hours from the occurrence of the event or information in case the event or information is emanating from within the Company.
- (iii) twenty-four hours from the occurrence of the event or information in case the event or information is not emanating from within the Company.

Provided that disclosure with respect to events for which timelines have been specified in Para A of Part A of Schedule III of SEBI LODR shall be made within the prescribed timelines.

6. AUTHORISED PERSONNEL

In compliance with the provisions of Regulation 30 (5) of SEBI LODR:

Authorization under Regulation 30(5) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 to determine Materiality of Events:

1. Mr.Ajay Palekar
Managing Director
compliance@modulex.in

2. Ms.Bhoomi Mewada
Company Secretary and Compliance Officer
Company.secretary@modulex.in

Annexure: Para A (Events where materiality is not applicable) and Para B (Events where materiality is applicable)

Sr.No	Events
A	EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE GUIDELINES FOR MATERIALITY
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.
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.	New Ratings(s) or Revision in Rating(s)
4.	Outcome of Meetings of the board of directors
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 listed entity), 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.	<p>Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity 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 listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:</p> <p>Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of the regulations.</p> <p>Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner</p>
7.	<p>Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.</p> <p>(i) ‘Fraud’ shall include fraud as defined under Regulation 2(1)(c) of Securities and</p>

	<p>Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.</p> <p>(ii) 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.</p> <p>Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.</p> <p>Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity.]</p>
8.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.
9.	In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor.
10.	Resignation of independent director including reasons for resignation.
11.	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director other than independent director.
12.	In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
13.	Appointment or discontinuation of share transfer agent.
14.	Resolution plan/ Restructuring in relation to loans/borrowings from banks / financial institutions
15.	One time settlement with a bank
16.	Winding-up petition filed by any party / creditors.
17.	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 listed entity.
18.	Proceedings of annual and extraordinary general meetings of the listed entity
19.	Amendments to memorandum and articles of association of listed entity, in brief.
20.	<p>(a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.</p> <p>(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means. Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.</p>
21.	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.
22.	Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:

	<p>(a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;</p> <p>(b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any</p>
23.	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.
24.	<p>Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:</p> <p>(a) search or seizure; or</p> <p>(b) re-opening of accounts under section 130 of the Companies Act, 2013; or</p> <p>(c) investigation under the provisions of Chapter XIV of the Companies Act, 2013</p>
25.	<p>Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:</p> <p>(a) suspension;</p> <p>(b) Imposition of fine or penalty;</p> <p>(c) settlement of proceedings;</p> <p>(d) debarment;</p> <p>(e) disqualification;</p> <p>(f) closure of operations;</p> <p>(g) sanctions imposed;</p> <p>(h) warning or caution; or</p> <p>(i) any other similar action(s) by whatever name called</p>
26.	Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.
B.	EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY REFERRED I N REGULATION 30(4)
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit / division
2.	Any of the following events pertaining to the listed entity: (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (ii) adoption of new line(s) of business; or (iii) closure of operation of any unit, division, or subsidiary (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) 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.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9.	Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity
10.	Options to purchase securities including any ESOP/ESPS Scheme
11.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.