

**POLICY ON DETERMINATION OF MATERIALITY OF EVENTS
AND INFORMATION**



I. BACKGROUND AND APPLICABILITY OF THE POLICY

Regulation 30(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulations') requires every listed entity to frame a policy for determining and disclosing the events or information which, in the opinion of the Board of Directors of a Company, are material.

In this context, the policy had been framed by the Board of Directors ("Board") of NCC Limited ("NCC"/ "Company") with the objective of determining materiality of events or information.

MATERIALITY THRESHOLDS

1. Regulation 30 of the Regulations mandates disclosure of all deemed material events to the Stock Exchanges. These events have been specified in **Para A of Part A of Schedule III** of the Regulations and shall be disclosed as applicable from time-to-time.
2. For disclosure of certain events as specified in **Para B of Part A of Schedule III** of the Regulations to the Stock Exchanges the following criteria shall be considered for determining whether the events are material or not:-

Where the omission of an event or information:

- i. which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. is likely to result in significant market reaction if the said omission came to light at a later date; or
- iii. whose value or the expected impact in terms of value, exceeds the lower of the following:
 - a) **two percent of turnover**, as per the last audited consolidated financial statements of the listed entity;
 - b) **two percent of net worth**, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - c) **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 listed entity.

In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the Board, the event or information is considered material.

3. Without prejudice to the generality of category (a), (b) and (c) of Schedule III of the regulation, any other event or information as may be specified by the SEBI from time to time shall be disclosed to the Stock Exchange.
4. This Policy shall also apply to the events to which neither Para A or Para B of Part A of Schedule III applies but have significant reaction on the share price of the Company.

II. TIME LIMIT FOR THE DISCLOSURE

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

- a) **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; however, in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting;
- b) **twelve hours** from the occurrence of the event or information, in case the event or information is **emanating from within the Company**;
- c) **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 the disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

Provided further that in case the disclosure is made after the timelines specified under this regulation, the Company shall, along with such disclosure provide the explanation for the delay.

III. GUIDELINES FOR DETERMINATION OF NORMAL ORDINARY COURSE OF BUSINESS REGARDING BAGGING OF CONTRACTS AND ORDERS

“Normal / ordinary course of Business” refers to the routine activities, operations, and transactions that the Company regularly undertakes in the pursuit of its business objectives. Para B of Part A of Schedule III of the Regulations mandates disclosure regarding ‘awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business. For the Company, participating in tenders and bagging / receipt of contract / order are covered under normal course of business hence disclosure is not mandatory.

Presently, the Company makes public disclosure regarding receipt of contract / order only upon receipt of Letter of Acceptance/ Letter of Award (LoA). For LoAs exceeding Rs. 3000 crore (excl GST) (Major Order), specific disclosures are made with the details as prescribed by SEBI Master Circular. For LoAs less than Rs. 3000 crore (excl. GST) each received during a month disclosures are made at the beginning (1st working day) of next month on a consolidated basis alongwith a press release. In the monthly disclosure general details like the total value (including division wise), duration range and whether CG/SG/Pvt client are disclosed.

Considering the recent regulatory changes and as a better disclosure practice, regarding receipt or bagging of order or contract, the Company will make disclosure to the Stock Exchanges in the following manner:

- a) Orders/contracts valued at Rs. 1000 crore and more (excl GST), received by the Company shall be termed as Major order and will be disclosed to the Stock Exchanges as per the timeline and format provided in the Regulations.
- b) Monthly disclosure on the last day of the month after normal market hours by clubbing all the order(s) valued less than Rs. 1000 crore (excl GST) each, received in the normal course of business during that month through a Press Release.

IV. DISCLOSURE PROCESS

1. Any event purported to be reportable under Regulation 30 of the Regulations shall be informed to the Managing Director/ Executive Director/Chief Financial Officer/ Company Secretary of the Company on an immediate basis with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Chief Financial Officer & Company Secretary.
2. The Managing Director, the Executive Director, the Chief Financial Officer and the Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this policy.
3. After evaluation, any one of the above mentioned persons shall make disclosure to the Stock Exchanges.
4. The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.
5. Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure.
6. Regular updates, where relevant, shall be made with relevant explanations.
7. All disclosures shall be available on the website of the Company for a period of 5 years and after that the disclosures should be dealt as per the preservation of documents & archival policy of the Company.

V. MODIFICATION OF THE POLICY

This Policy is framed based on the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. In case of any subsequent amendments to the Regulations which makes any of the provisions in the Policy inconsistent, the provisions of the Regulations shall prevail. The Policy shall be reviewed by the Board so as to align the same with any future amendments or to incorporate the changes as may be felt appropriate by the Board.

The Events of disclosure, its process and timelines as it stands today may be updated, from time to time, by authorised persons, to reflect any changes to the Regulations and the updated version be issued and published as necessary, without any requirement for approval from the Audit Committee or the Board.

REVISION HISTORY		
REV.NO.	BOARD APPROVAL DATE	REVISION SUMMARY
1	10.11.2015	First Adoption
2	08.02.2022	Amendments in the LODR Provisions
3	10.08.2023	Amendments in the LODR Provisions
4	06.02.2025	Amendments in the LODR Provisions and Guidelines for determination of normal ordinary course of business regarding bagging of contracts and orders.