

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION**1. Introduction**

Pursuant to Regulation 30(4)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), the Board of Directors of IL&FS Engineering Construction Company Limited (“the Company”), vide its resolution dated January 23, 2016, has approved and adopted this Policy for determination of materiality of events/information for which disclosure may be made by the Company to the Stock Exchange.

2. Effective Date

This Policy shall come into force on December 1, 2015

3. Objective

- (a) The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated to the Stock Exchanges in pursuance with the SEBI LODR Regulations and to provide an overall governance framework for such determination of materiality.
- (b) Roles and Responsibility of all stakeholders for facilitating in the determination of material events and communication to the Stock Exchanges.

4. Definition

“**Board of Directors or Board**” means the Board of Directors of IL&FS Engineering and Construction Company Limited, as constituted from time to time.

“**Company**” means IL&FS Engineering and Construction Company Limited.

“**Key Managerial Personnel**” mean key managerial personnel as defined in subsection (51) of section 2 of the Companies Act, 2013.

“**Material Events**” shall mean such event or information set out in the Para A in Part A of Schedule III of the SEBI LODR Regulations.

“**Material Subsidiary**” shall mean any subsidiary companies of the Company which is or has been determined as a material subsidiary as per the provisions of the SEBI LODR Regulations.

“**Policy**” means this Policy on criteria for determining Materiality of events/information and as may be amended from time to time.

“**Other Events**” are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4).

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“**SEBI LODR Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time

“**Stock Exchanges**” shall mean the stock exchange(s) on which the securities of the Company are listed

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI LODR Regulations or any other applicable law or regulation to the extent applicable to the Company.

5. Criteria for Determining Materiality of Events/Information

Events / Information shall be considered as Material if it meets any of the following 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;
- (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 of the Company, the event / information is considered material.

6. Disclosures of Events or Information

- a. Events specified in Para A of Part A of Schedule III of SEBI LODR Regulations as amended are deemed to be material events and the Company shall make disclosure of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:
 - i. inform the Stock Exchanges in which the securities of the Company are listed;
 - ii. Upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

- b. The Company shall make disclosure of events as specified in Para B of Part A of Schedule III of SEBI LODR Regulations as amended based on application of guidelines for determining Materiality as per the Policy.
- c. The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- d. The Company shall disclose event or information with respect to its Material Subsidiaries.

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- e. The Company shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to Stock Exchange(s) reported in the media.
- f. In case where an event occurs or information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III of SEBI LODR Regulations as amended, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

7. Authority for determination of Materiality of Events / Information and making disclosures Stock Exchanges.

As per Regulation 30(5) of the SEBI LODR Regulations, the Board of Directors are empowered to severally authorize one or more Key Managerial Personnel (KMPs) of the Company for determining the materiality of any event or information and for the purpose of making disclosure to the Stock Exchange(s) under the regulation from time to time

The Managing Director and the Chief Financial Officer of the Company shall have the authority to determine Materiality of any Event or Information and the Company Secretary is authorised to make disclosures to Stock Exchange(s), under these regulations subject to the provisions of this Policy. The contact details of the said KMPs are given below:

Contact Details:

1. The Managing Director
Door No: 8-2-120/113/3/4F, Sanali Info Park,
Road No. 2, Banjara Hills, Hyderabad – 500 033
Contact: 040 – 40409333
E.mail – cs@ilfsengg.com
2. The Chief Financial Officer
Door No: 8-2-120/113/3/4F, Sanali Info Park,
Road No. 2, Banjara Hills, Hyderabad – 500033
Contact: 040 – 40409333
E.mail – cs@ilfsengg.com
3. The Company Secretary
Door No: 8-2-120/113/3/4F, Sanali Info Park,
Road No. 2, Banjara Hills, Hyderabad – 500033
Contact: 040 – 40409333
E.mail – cs@ilfsengg.com

IL&FS Engineering and Construction Company Limited**8. Scope And Limitation**

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; SEBI LODR Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

9. Amendments

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

10. Dissemination of Policy

This Policy shall be hosted on the website of the Company and address of such link thereto shall be provided in the Annual Report of the Company
