



IL&FS Transportation Networks Ltd.

IL&FS TRANSPORTATION NETWORKS LIMITED

POLICY ON DISSEMINATION AND MATERIALITY OF EVENTS OR INFORMATION

Policy on Dissemination and Materiality of Events or Information:

(I) Objective :

- (1) This Policy is framed in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) for determination of materiality, based on criteria specified in these Regulations for dissemination of information to the investors / other stakeholders
- (2) The Company ensures timely, adequate and accurate disclosures of all material matters concerning the Company so that the same is fairly accessible to all in the interest of investors

(II) Overview

This Policy lays down various criteria adopted by the Company for determining materiality of an event / information and document a process for dissemination of information and disclosures to various stakeholders through appropriate channels

(III) Material Event or Information:

(1) Deemed Material Information:

The Para A of Part A of Schedule III of the Listing Regulations specify the events/information which shall be deemed to be Material Information and the Company shall make the disclosure without applying any criteria of materiality:

- (a) 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 listed entity or any other restructuring proposal

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 :
 - the Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;

- 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 two per cent of the total shareholding or voting rights in the said Company
- (b) 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.
- (c) Revision in Rating(s)
- (d) Outcome of Meetings of the board of directors held to consider the following:
 - (i) 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;
 - (ii) any cancellation of dividend with reasons thereof;
 - (iii) the decision on buyback of securities;
 - (iv) the decision with respect to fund raising proposed to be undertaken;
 - (v) increase in capital by issue of bonus shares through capitalisation including the date on which such bonus shares shall be credited/dispatched;
 - (vi) 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;
 - (vii) short particulars of any other alterations of capital, including calls;
 - (viii) financial results;
 - (ix) decision on voluntary delisting by the Company from stock exchange(s)
- (e) 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
- (f) Fraud/defaults by promoter or key managerial personnel or by Company or arrest of key managerial personnel or promoter

- (g) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer
- (h) Appointment or discontinuation of share transfer agent
- (i) Corporate debt restructuring
- (j) One time settlement with a bank
- (k) Reference to BIFR and winding-up petition filed by any party / creditors
- (l) 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
- (m) Proceedings of Annual and extraordinary general meetings of the Company
- (n) Amendments to memorandum and articles of association of the Company, in brief
- (o) Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors

(2) Criteria of Materiality:

- (a) The Company shall consider following criteria for determination of materiality of events/ information other than for the Deemed Material Information :
 - (i) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
 - (ii) 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;
- (b) In case where the criteria specified in sub clause (i) and (ii) above are not applicable, an event/information may be treated as being material if:
 - it has impact of 10% on the Turnover or Networth of the Company as per the financial statements of the last financial year, whichever is lower
 - or any other information / event which is considered material in the opinion of the Authorised Person of the Company under this Policy

- (c) Events which shall be disclosed upon application of materiality criteria as stated in Clause 2 (a) & (b) above :
- (i) 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)
 - (ii) Capacity addition or product launch
 - (iii) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business
 - (iv) 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
 - (v) Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
 - (vi) Effect(s) arising out of change in the regulatory framework applicable to the Company
 - (vii) Litigation(s) / dispute(s) / regulatory action(s) with impact
 - (viii) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company
 - (ix) Giving of guarantees or indemnity or becoming a surety for any third party
 - (x) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
 - (xi) Any other event / information available with the Company and not specifically covered in Clauses 2(a) & (b) above, but which may have material effect on it

(3) Timeline for disclosure of information:

- (a) The Company shall first disclose to stock exchange(s) all material events or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information. In case the disclosure is made after twenty four hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for delay

- (b) Disclosure with respect to events specified in Clause 1 (d) shall be made within thirty minutes of the conclusion of the board meeting
- (c) Any information shall be given first to the stock exchange(s) before providing the same to any third party
- (d) The Company shall, with respect to disclosures referred to in this policy make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations
- (e) The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this policy , and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the Document Archival policy of the Company, as disclosed on the website of the Company

(4) General Provisions :

- (a) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company
- (b) The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information
- (c) The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s)
- (d) The Company shall make disclosures of event/information as specified by the Board of Directors from time to time
- (e) The Company shall follow uniform and universal dissemination of information to avoid selective disclosure
- (f) While dealing with analysts or research persons or large investors like institutions, the Company shall provide only public information. Alternatively, the information given to analysts or research persons shall be simultaneously made public at the earliest
- (g) The Company employees shall handle all material / unpublished price sensitive (UPSI) information on a need to know basis in accordance with the Code of Conduct for Insider Trading & Code of Practices for disclosure of UPSI
- (h) If an Employee of the Company makes an accidental or unintentional disclosure of Material or UPSI, the employee must immediately notify the Managing Director / Executive Director of this incident. The Company shall forthwith take steps to ensure that the same is disclosed to the stock exchanges immediately and/or issue a press release to fully disclose this information

- (i) All forward-looking information, including projections of future earnings or operational performance, shall be accompanied by appropriate cautionary language. All public disclosures of forward-looking information must be made by and/or approved by the Managing Director / Executive Director / Chief Financial Officer. Once approved, the forward-looking information may be communicated to the public by the Company Secretary. The Company is under no obligation, except under the laws of the land, to respond to / update on such forward looking statements

(5) Approval Process & Authority :

- (a) The Managing Director shall be severally authorised to determine materiality of an event or information, verifying or denying rumours and for making disclosure to the stock exchange(s) and on the Company website. Disclosure of such information shall be made public or published on behalf of the Company only if the same is approved by the Managing Director. In his absence, the Executive Director of the Company or Chief Financial Officer can determine materiality of event or information and approve dissemination of information
- (b) The Company Secretary shall be authorised to make the disclosure of any material or UPSI duly approved by the Managing Director / Executive Director to the Stock Exchange(s), and on the Company's website
- (c) Other Employees and Company Representatives receiving any inquiries from the Investment Community shall not respond to such inquiries other than to refer the inquirer to the Company Secretary

(6) Disclosure of the Policy:

The Policy on Determination of materiality of events or information shall be displayed on the Company's website

(7) Amendment:

The Policy stands automatically revised in case of any amendments to the Listing Regulations or SEBI (Prohibition of Insider Trading) Regulations, 2015. In any case, these Regulations or provisions of any other law, rules and regulations shall prevail over the provisions of this Policy

The Policy shall be effective December 1, 2015