

Policy for Dissemination of Information and Determining Materiality of Information / Events for reporting to the Stock Exchanges

This Policy shall be called “Policy for Determining Materiality of Information / Events for reporting to the Stock Exchanges”.

The policy is framed pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (“the Regulations”) from 1st December, 2015 (“Effective Date”) and will replace the Policy for Dissemination of Information to the Stock Exchanges pursuant to Clause 36 of the Listing Agreement.

I Objective

The Objectives of the Policy are to:

1. enable the investors to make well-informed investment decisions
2. take a view on the Materiality of an event that qualifies for disclosure under “the Regulations”;
3. to authorize the Key Managerial Personnel to determine the materiality of an event or information and to make appropriate disclosures to the Stock Exchanges.

II Disclosure of Events / Information

The Company shall disclose to the Stock Exchange information on a continual and regular basis of events and developments on various matters. These may be divided into:

- Prior intimation
- Mandatory Disclosure of Event
- Disclosure of Event based on materiality

III Prior Intimation to the Stock Exchanges

1. The Company shall give prior intimation to the Stock Exchanges about the meeting of the Board of Directors at which meeting any of the following proposals are to be considered at least two working days in advance, excluding the date of the intimation and date of the Meeting:
 - a. Proposal for buy back of securities;
 - b. Proposal for voluntary delisting by the listed entity from the stock exchange(s);
 - c. Fund raising by way of further public offer, rights issue, American Depository Receipts / Global Depository Receipts / Foreign Currency Convertible Bonds, qualified institutions placements, debt issue, preferential issue or any other method and for determination of issue price.

- Intimation shall also be given of any Annual General Meeting or Extra Ordinary General Meeting or postal ballot that is proposed to be held for obtaining a shareholder approval for further fund raising indicating type of issuance;
- d. Declarations / recommendation of dividend, issue of convertible securities including convertible debentures or of debentures carrying a right to subscribe to equity shares or the passing over of dividend;
 - e. The proposal for declaration of bonus securities only if such proposal is communicated to the Board of Directors of the listed entity as part of the agenda papers. Prior intimation will not be given to the Stock Exchanges if the proposal for declaration of bonus does not form part of the Agenda of the Board Meeting.
2. The intimation regarding the meeting of the Board of Directors at which the quarterly, half yearly and annual financial results are to be considered shall be given at least five days in advance, excluding the date of the intimation and the date of the meeting of Board of Directors.
 3. The Company shall also give prior intimation to the Stock Exchange(s) at least eleven working days before any of the following proposal is placed before the Board of Directors:
 - a. Any alteration in the form or nature of any of its securities that are listed on the Stock Exchange or in the rights or privileges of the holders thereof
 - b. Any alteration in the date on which, the interest on debentures, or bonds, or the redemption amount of redeemable shares or of debentures or bonds, shall be payable.
 4. The Company shall also give at least seven working days (excluding the date of intimation and the record date) to the Stock Exchanges regarding fixing of the record date/ book closure dates and such other matters as may be required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

IV Disclosure

I. Mandatory Disclosure of Event

1. The Company shall promptly notify the Stock Exchanges upon occurrence of the events and developments with respect to matters required to be notified pursuant to the Regulations and in particular in respect of all matters listed in Para A of Part A of Schedule III read with Circular No CIR/CFD/CMD/4/2015 dated 9th September 2015 (annexed herewith and collectively marked as per Annexure A as “Event Based Disclosure”), and such other information as may be required to be disclosed to the Stock Exchange from time to time under these Regulations or under any other regulations.

2. Disclosure of Event based on Materiality :-

The Company shall make disclosure of events specified in Para B, C and D of Part A of Schedule III read with Circular No CIR/CFD/CMD/4/2015 dated 9th September 2015 (annexed herewith and collectively marked as per Annexure B as “Disclosure of Event based on Materiality”) after considering the criteria for determination of materiality of event/information and based on the limits prescribed under this policy.

3. In addition to the matters listed in Annexure A above, the Company shall also disclose to the Stock Exchanges any other event / information which would have a material bearing on the operational / financial performance of the Company or otherwise materially impact the Company.
4. The Company shall disclose events/ information with respect to its subsidiaries which materially impact the operations/ performance of the Company.
5. The disclosure shall include material facts of the matter at the time of occurrence of event, subsequent developments if any and upon cessation of the event.

V Timing for Disclosure

1. The Company shall ensure that dissemination of information of all events shall be first communicated to all the Stock Exchanges and thereafter to the investors/media.
2. The Company shall disclose within 30 minutes of the close of the board Meeting, the outcome of the decision of the Board of directors with respect to the following matters:
 - a. Financial results;
 - b. Dividends and /or cash bonus recommended or declared and the date on which the dividend shall be paid and the passing/ skipping of dividend;
 - c. Cancellation of dividend with reasons thereof;
 - d. Buyback of securities;
 - e. Fund raising proposed to be undertaken;
 - f. Increase in capital by issue of bonus shares including the date on which such bonus shares shall be credited/ dispatched;
 - g. Reissue of forfeited shares / 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 or privileges or benefits to subscribe to;
 - h. Particulars of any other alteration of capital including calls;
 - i. Voluntary delisting from the Stock Exchanges;

- j. Such other information as may be required to be furnished under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 or by the Stock Exchange from time to time.
3. All event based information shall be first disclosed to the Stock Exchanges as soon as it occurs and not later than twenty four hours from the occurrence of the event or information. In case there is a delay in communicating the event/information to the Stock Exchanges, the Company shall also provide explanations for the delay.
4. An event / information can be said to have occurred when the Company has become aware of the event / information or as soon as the Company becomes aware of the event / information or as soon as the Key Managerial Personnel has or ought to have reasonably come into possession of the information in the course of the performance of his duties.

VI Criteria for determining materiality of event

The Company shall inform the Stock Exchange of events and developments which are price sensitive in nature or which have a bearing on the performance / operations of the Company or could otherwise substantially impact the company.

In applying the materiality test the Board shall take into account the following:

- Whether the non reporting of an event or information would result in the discontinuity or alterations of the event or information already available in public domain;
- whether the omission of an event or information is likely to result in a significant market reaction if such event or information became public knowledge at a later date;
- whether the information is likely to be of use to a reasonable investor as basis for his investment decisions
- Any event which in the opinion of the Board is material from a governance point of view and ought to be disclosed to the Stock Exchanges.

An event /information shall be considered material where the impact or potential impact of such event / information exceeds 5% of the Net Sales or 10% of the net worth of the Company whichever is lower, based on the consolidated audited financial statements of the Company for the immediately preceeding Financial Year.

The above materiality criteria is only to serve as a guiding reference and the final decision with regard to materiality of an event would vest in the Key Managerial personnel so authorized by the Board of Directors herein.

VII Persons authorized to decide on the materiality of an event / information for the purpose of making disclosure to the Stock Exchanges

The Board has authorized the Managing Director & CEO of the Company and in his absence the Chief Financial Officer (CFO) to take a view on the materiality of an event having regard to the aforesaid.

The Managing Director & CEO and the CFO shall jointly certify to the Board of Directors every quarter that during the quarter under review, all Material Events / Information which were required to be disclosed to the Stock Exchanges have been informed.

VIII Other Provisions

1. The Company shall provide to the Stock Exchanges in respect such information concerning the Company as the Stock Exchanges may reasonably require in connection with the disclosure of events.
2. The Company may on its own accord confirm or deny any reported event to the Stock Exchanges.
3. In the event of any conflict between the provisions of this Policy and the Companies Act, 2013, the Regulations and/or any other statutory enactments and rules, the provisions of such Companies Act, 2013, the SEBI (Listing Obligations and disclosure Requirements) Regulations 2015 and/or any other statutory enactments, rules etc shall prevail over this Policy.
4. The Company shall disclose on its website all such events or information which has been disclosed to the Stock Exchanges under this Regulation. Such disclosures shall be hosted on the website of the Company for a minimum period of five years.
5. This Policy shall stand amended / modified to the extent so occasioned by any amendment / modification of the SEBI Regulations.

Approved by the Board of Directors at its Meeting held on 09th December, 2015

FOR AMBUJA CEMENTS LTD.

Sd/-

**RAJENDRA CHITALE
CHAIRMAN OF THE AUDIT
COMMITTEE**

Date: 09th December, 2015

Sd/-

**N. S. SEKHSARIA
CHAIRMAN OF THE BOARD OF
DIRECTORS**

Date: 09th December, 2015

Annexure – A

Mandatory Disclosure of Event

Pursuant to Para A of Part A of Schedule III read with Circular No CIR / CFD/ CMD/ 4/ 2015 dated 9th September 2015 of the Stock Exchanges pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015

The following shall be events / information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

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 listed entity 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 listed entity holds shares or voting rights aggregating to 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 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 Meetings of the board of directors: The listed entity shall disclose to the 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 listed entity 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 listed entity or arrest of key managerial personnel or promoter.
 7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
 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.
 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 listed entity.
 13. Proceedings of Annual and extraordinary general meetings of the listed entity.
 14. Amendments to memorandum and articles of association of listed entity, in brief.
 15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

Annexure – B

Disclosure of Event based on Materiality

Pursuant to Para B, C and D of Part A of Schedule III read with Circular No CIR / CFD/ CMD/ 4/ 2015 dated 9th September 2015 of the Stock Exchanges pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

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 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.
- D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.
