

LANDMARK PROPERTY DEVELOPMENT COMPANY LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS

[Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

[Adopted by the Board of Directors at its meeting held on November 05, 2015]

Preface

Securities and Exchange Board of India has vide circular no. SEBI/LAD-NRO/GN/2015-16/013 dated September 02, 2015 made Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Regulations**") which shall come into force with effect from December 01, 2015.

In terms of Regulation 30 of the Regulations, every listed company needs to make disclosures of events or information which, in the opinion of the Board of Directors of the listed company, is material. Events specified in Para A of Part A of Schedule III of the Regulations are deemed to be material events and must be disclosed to the Stock Exchanges. Whereas, the events specified in Para B of Part A of the said Schedule III need to be disclosed based on application of the guidelines for materiality. Sub Regulation (4) (ii) requires that every listed entity shall have a policy for Determination of Materiality duly approved by the Board of Directors.

Criteria for determination of materiality of events/information

In terms of the aforesaid Regulations, the following criteria is to be considered for determination of materiality of events/information in respect of the items dealt with in Para B of Part A of Schedule III thereof:

- (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, the event/information is considered material.

Materiality of Event

Based on the above criteria, the following events are considered to be material by the Board of Directors of the Company, the occurrence of which shall be reported to the Stock Exchanges where the Company's shares are listed:

| S. No. | Events to be disclosed upon application of the guidelines for materiality (As per Para B of Part A of Schedule III) | When material |
|--------|--|--|
| 1. | Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division. | a) Commencement of commercial production or commercial operations of any unit/division where revenue from the unit/division for a full year of production or operations is estimated to be not less than 10% of the revenues of Company for the year. b) Any postponement in the date of commencement of commercial production or commercial operations of any unit/division by more than three months from the date where prior intimation has been given to the Stock Exchanges. |
| 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). | Change in the general character or nature of business which will affect 20% of turnover or revenue or income or net worth of Company for the year. |
| 3. | Capacity addition or product launch. | a) Capacity addition resulting in enhancement by 25% of the existing capacity. b) Product launch involving additional turnover of 20% of the existing turnover. |
| 4. | Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business. | Commercial consideration or size of the single order exceeding Rs. 50 crore or 5% of Turnover, whichever is higher. |
| 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. | Total amount involved Rs. 500 crore or more. |
| 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. | Expected quantum of loss/damage caused of Rs. 50 Crore or 5% of Turnover, whichever is higher. |

| | | |
|-----|---|--|
| 7. | Effect(s) arising out of change in the regulatory framework applicable to the listed entity. | Expected impact on present or future operations or profitability of Rs. 50 Crore or 5% of Turnover, whichever is higher. |
| 8. | Litigation(s) / dispute(s) / regulatory action(s) with impact. | Expected financial implications of Rs. 50 Crore or 5% of Turnover, whichever is higher in cases of disputes other than those related to direct and indirect taxes. In case of disputes relating to direct and indirect taxes where the amount involved is in excess of Rs. 250 crores arising out of one show cause notice. |
| 9. | Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity. | Estimated amount involved of Rs. 1 Crore or 1% of turnover, whichever is higher. |
| 10. | Options to purchase securities including any ESOP/ESPS Scheme. | Total number of 1,00,000 shares covered by these options. |
| 11. | Giving of guarantees or indemnity or becoming a surety for any third party. | Estimated impact of such guarantees or indemnity or surety of Rs. 100 Crore or 10% of Turnover, whichever is higher. For such purposes the guarantees or indemnity or surety given in respect of borrowings made by Subsidiary Companies shall not be considered as material even though they are in excess of the aforesaid limits. |
| 12. | Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals. | Estimated monetary impact, direct or indirect of Rs. 100 Crore or 10% of Turnover, whichever is higher. |
| 13. | 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. | Estimated monetary impact, direct or indirect of Rs. 100 Crore or 10% of Turnover, whichever is higher. |

| | | |
|-----|---|---|
| 14. | Material events occurring in any of the material Subsidiaries | As per details given above in items 1 to 13 |
|-----|---|---|

The disclosures made in terms of the above table shall be updated on a regular basis with material developments till such time the event is resolved/closed.

Determination of materiality

The Chief Executive Officer and the Chief Financial Officer, shall be responsible severally to determine the occurrence of material event reportable to the Stock Exchanges in accordance with the criteria and materiality detailed above. The Chief Executive Officer and the Chief Financial Officer shall severally make necessary disclosure(s) to the Stock Exchanges of material event(s) through Company Secretary.

Disclosure on the website

The Compliance Officer shall be responsible to disclose this Policy for Determination of Materiality of Events and any changes therein as may be approved by the Board from time to time on the website of the Company.

The Compliance Officer shall also disclose on the Company's website the disclosures made to the Stock Exchanges in terms of Clause 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a period of 5 years.

Conclusion

This Policy shall apply for Determination of Materiality of Events to be reported to the Stock Exchanges in terms of the Regulations. Any or all the provisions of this Policy would be subject to the revision/amendment in the Regulations as may be notified from time to time.