



## **CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED**

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### **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION**

#### **1. Statutory Mandate**

This Policy for determination of materiality of events/information has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to disclosure of events and information.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors approved the “Policy for Determination of Materiality of Events / Information” and amended the same as and when required. This Policy will be applicable to the Company with effect from 1 December, 2015.

#### **2. Objective**

The policy is intended to define Company’s policy for determination of materiality and disclosure of material events/information and to provide guidance to the management of the Company, to determine the materiality of events or information so that such event or information can be promptly disclosed to the stock exchange(s).

#### **3. Definitions**

**“Audit Committee or Committee”** means Audit Committee constituted by the Board of Director of the Company, from time to time.

**“Board of Directors or Board”** means the Board of Directors of Cambridge Technology Enterprises Limited, as constituted from time to time.

**“Company”** means Cambridge Technology Enterprises Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Unit No. 04-03, Level 4, Block 1, Cyber Pearl, Hitec-City, Madhapur, Hyderabad – 500081 and its successors and assigns.

**“Independent Director”** means a Director of the Company, as defined under the Companies Act, 2013 and Clause 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**“Policy”** means Policy for determination of materiality of events/information, as amended from time to time.

**“Regulations”** mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof, for the time being in force and as may be amended from time to time.

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

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

#### **4. Policy**

##### **CATEGORY A – Events which are deemed to be Material Events**

i. The Company shall have to necessarily disclose all such events which are specified in Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (as applicable from time to time) read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 within the timelines as prescribed thereof and without applying any test of materiality.

ii. The Company shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information.

Note: 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:

ii. 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:

iii. The disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within thirty minutes of the conclusion of the board meeting.

## **CATEGORY B - Events which are dependent on application of Guidelines for Materiality**

i. The company shall make disclosure of events specified in Para B of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (as applicable from time to time) read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015, based on the application of the guidelines for materiality.

### **Guidelines for determining Materiality of Events or information:**

i. The company shall consider the following criteria for determination of materiality of events/information:

(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 company, the event / information is considered material.

ii. The KMP authorised under this Policy under clause 6(i) will determine on the disclosure of events or information to the Stock Exchanges based on the application of the test of materiality as mentioned above and will do so on a case to case basis depending on specific facts/circumstances relating to the information/event and apply such other qualitative/quantitative criteria if required and as may be deemed appropriate to the event.

iii. The information/event determined under this category may be placed prior to or at the immediate Board Meeting held after the said information/event is made public.

## **CATEGORY C – Disclosure of any other information/event**

i. The Company shall disclose major developments that are 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 Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

ii. In case where an event occurs or an information is available with the company, which has not been indicated in Para A or B of Part A of Schedule III of the Regulations, but which may have material effect on it, the company is required to make adequate disclosures in regard thereof.

## **CATEGORY D – Disclosure of event/information as specified by the Board**

Without prejudice to the generality of Category (A), (B) and (C) above, the company may make disclosures of event/information as may be specified or decided by the Board from time to time.

### **5. Guidance on when an event/information has occurred**

i. The occurrence of material event/information would depend upon the following:

- (a) stage of discussion, negotiation or approval; and
  - (b) the timing when the listed entity became aware of the event/information (in other instances where there is no such discussion, negotiation or approval required).
- ii. In respect of the events/information under 5(a), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder's approval.

iii. In respect of the events/information under 5(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

### **6. Key Managerial Personnel authorised to determine materiality**

i. The following KMPs are hereby jointly and severally authorized by the board of directors of the company as part of this policy for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s) ("Authorized Person(s)") under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a. Whole – Time Director(s)
- b. Chief Executive Officer

i. The following KMPs are hereby jointly and severally authorized by the board of directors of the company as part of this policy for the purpose of making disclosures to Stock Exchange(s) ("Authorized Person(s)") under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a. Dharani Raghurama Swaroop, Whole – Time Director

ii. The above authorized person(s) may also inform in writing or through email communication to the Company Secretary/Compliance Officer of the Company about the materiality of any information/event as determined by them and which may then be intimated by the Company Secretary/Compliance Officer on behalf of them to the Stock exchanges as a part of Disclosure compliance [i.e., for the purpose of making disclosures to Stock Exchange(s) under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015].

iii. The materiality of events outlined above are indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Person(s) under clause (i) above should exercise his/her own judgement while assessing the materiality of events associated with the Company. In case the relevant Authorized Person perceives any doubt regarding materiality he/she may consult any Director before disclosing the information to the Stock Exchange(s).

## **7. Disclosure of events / information on Subsidiaries**

The company shall disclose all events or information with respect to subsidiaries which are material for the company.

## **8. Authorisation to Whole – time Director(s) to suo moto accept / deny reported event or information**

The Whole – time Director(s) are hereby jointly and severally authorised to suo-moto accept / deny any report event or information, which has been unauthorized made public by media or by any other means including but not limited to electronic means. They are further authorised to respond to the rumours amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company. Such action taken by the Whole – time Director(s) may be brought to the attention of the Board of Directors at its immediately subsequent meeting.

## **9. Disclosures on the website**

i. 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 listed entity for a minimum period of five years and thereafter as per the archival policy of the listed entity, as disclosed on its website.

ii. This Policy shall be hosted on the website of the Company.

## **10. Scope & Limitation**

i. All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

ii. In the event of any conflict between the provisions of this Policy and the Regulations; Act; any Statutory enactments or rules; the provisions of such Regulations; Act; or any Statutory enactments or 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.

## **11. 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.

Further, the Whole-time Director shall have the authority to amend the contents of the policy, whenever necessary, to bring them in line with any change(s) / amendment (s) made to Regulations by SEBI.

## **12. Board's Approval**

This policy was approved by the Board of Directors at its meeting held on 2<sup>nd</sup> November, 2015 and amended at its meeting held on March 29, 2019.