

CESC LIMITED

MATERIAL EVENTS POLICY

1. BACKGROUND

Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that every listed entity shall make disclosures of any events or information which, in the opinion of its Board of Directors of the listed company, is material as well as any price sensitive information. The listed entity shall frame a policy for determination of materiality, based on the specified criteria duly approved by its Board of Directors, which shall be disclosed on its website.

The Board of Directors of the listed entity shall authorize one or more Key Managerial Personnel for the purpose of determining materiality of an event or information for the purpose of making disclosures.

In view of the same, this “Material Events Policy” of CESC Limited has been framed effective from 1 December, 2015.

2. DEFINITIONS

“Authorized Key Managerial Personnel” means Managing Director, Executive Director & CFO and Company Secretary, who are authorized, individually or jointly, for determining the materiality of an event or information that qualifies for disclosure and to decide the appropriate time and details of its disclosure to be made to the Stock Exchange(s). They may be contacted at secretarial@rpsg.in and/or (033) 2225 6040.

“Board of Directors” or “the Board” means the Board of Directors of CESC Limited, as constituted from time to time.

“Company” means CESC Limited.

“Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Material Events” means events as specified in Regulation 30 read with Part A of Schedule III to the Listing Regulations and upon the occurrence of which a listed entity shall make disclosures to stock exchange(s) and host such disclosures on the listed entity’s website.

“Policy” means this Policy for determination and reporting of Material Events Terms that have not been defined in this policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or the Listing Regulations and as may be amended from time to time.

3. POLICY

The Company will inform the Stock Exchange(s) of all “Material Events” within the timelines mentioned in the Listing Regulations.

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The “Authorized Key Managerial Personnel” (KMP) shall be entitled to take a view on the materiality of an event or information which are qualifying for disclosure as provided in Para B of Part A of Schedule III of the Listing Regulations and to make appropriate disclosure on a timely basis. The KMPs are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The KMPs shall have the following powers and responsibilities for determining the material events or information:

- a. To review and assess an event or information that may qualify as ‘material’ and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- d. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the SEBI Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- e. To disclose all events or information with respect to the subsidiaries which are material for the Company.

4. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS

The Company shall consider the following criteria for determination materiality of an event or information:

- a. The omission of an event or information which is likely to:
 - i. result in a discontinuity or alteration of an event or information already available publicly; or
 - ii. result in significant market reaction if the said omission came to light at a later date;
- b. The omission of an event or information, whose value or the expected impact in terms of value exceeds the lower of the following:
 - i. two percent of turnover, as per the last audited consolidated financial statements of the Company; or
 - ii. Two percent of net worth, except in case of the arithmetic value of the networth is negative, as per the last audited consolidated financial statements of the Company;
 - iii. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company

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Accordingly, any transactions exceeding the lower of i, ii or iii above, with an annual impact in value, will be considered for the above purposes.

- c. In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.

5. REPORTING AND DISCLOSURE

Regulation 30 of Listing Regulations, 2015, as amended, and Schedule III of the said Regulation, has categorized material events and information which will have bearing on the performance/operations of the Company. The disclosures of events and information which the Company shall make to the Stock Exchange(s) as broadly categorized under these regulations are as under –

- i. Events listed in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events and listed entity shall make disclosures of such events.
- ii. Events that have been provided in Para B of Part A of Schedule III of the Regulations shall be disclosed to Stock Exchanges upon application of the guidelines for materiality to be determined by the Authorised Key Managerial Personnel on the basis of criteria as mentioned above.

6. DISCLOSURE ON WEBSITE

As required under the Listing Regulations, the Policy will be disclosed on the website of the Company.

Further, the Company shall disclose on its website all such events or information which have been disclosed to the stock exchange(s) under this Regulation and such disclosure shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

7. POLICY REVIEW

In case of any subsequent changes in the provisions of the Regulations or any other regulations which makes any of the Clauses/provisions in the Policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the Policy and the Clauses /provisions in the Policy would be deemed to be modified accordingly. The Board also, at its discretion, has the power to review and revise the Policy.