

CYBERTECH SYSTEMS AND SOFTWARE LIMITED

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. STATUTORY MANDATE

The Board of Directors (The “Board”) of **Cybertech Systems and Software Limited** (the “Company”) has adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy.

The Board may review and amend this policy from time to time. This Policy will be applicable to the Company with effect from 1st December, 2015 in terms of Clause 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

2. POLICY OBJECTIVE AND SCOPE

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined.

The purpose of this documents to present a high level policy statement for the Company regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

The policy is intended to define the Company’s policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in the Company in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company.

The policy is framed for the purpose of systematic identification, categorization, review disclosure and updation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

3. REFERENCES

All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI's LODR, 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.

4. DEFINITIONS

"Audit Committee or Committee" means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, RBI Act and/or the Companies Act, 2013.

"Board of Directors or Board" means the Board of Directors of Cybertech Systems and Software Limited, as constituted from time to time.

"Company" means a Company incorporated under the Companies Act, 1956 or under any other act prior to or after Companies Act, 1956.

"Independent Director" means a Director of the Company, not being a whole time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 and the SEBI's LODR, 2015 entered into with the stock exchanges.

"Policy" means Policy on Disclosure of Material Events.

"Material Events" are those that are specified in Para A of Part A of Schedule III of the LODR.

"Other Events" are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4).

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

"Key Managerial Personnel" (KMP) of the Company includes Managing / Whole- time Directors, Chief Financial Officer and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.

5. CRITERIA FOR DISCLOSURE OF EVENTS / INFORMATION

- i.* The omission of an event or information would likely to result in discontinuity or alteration of event or information already available publicly;
- 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; and
- iii.* In case where the criteria of an event / information does not fall in the first two categories, but still in the opinion of the board of directors are considered material.

6. DISCLOSURE OF EVENTS OR INFORMATION

- a. Events specified in Category A are deemed to be material events and the Company shall make disclosure to of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:
 - i. Intimation shall be given to the stock exchanges on which the securities of the Company are listed;
 - ii. And the same will be uploaded on the website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

- b. Events specified in Category B shall be disclosed within 30 minutes of the closure of the Board Meeting.
- c. The Company shall make disclosure of events as specified in Category C based on application of guidelines for determining Materiality as per clause 5 of the Policy.
- d. The Company shall 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 all events or information with respect to its Material Subsidiary, if any.

- f. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.
- g. In case where an event occurs or information is available with the Company, which has not been indicated in Category A or Category B or Category C, but which may have material effect on it, the Company will make adequate disclosures in regard thereof. All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

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CATEGORY A:

Events which shall be disclosed without any application of the guidelines for Materiality:

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. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), 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.
5. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
6. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
7. Appointment or discontinuation of share transfer agent.
8. Corporate debt restructuring.
9. One time settlement with a bank.
10. Reference to BIFR and winding-up petition filed by any party /creditors.
11. 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.
12. Proceedings of Annual and extraordinary general meetings of the listed entity.
13. Amendments to memorandum and articles of association of listed entity, in brief.
14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

CATEGORY B:

Events / Decisions considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within 30 minutes of the closure of the Board Meeting are:

- 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 72 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).

CATEGORY C:

Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:

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.
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 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.

7. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

Mr. Ramasubramanian Sankaran, Executive Director of the Company shall have the authority to determine Materiality of any event or information and Mr. Sateesh Wadagbalkar, Company Secretary and Compliance Officer of the Company shall ensure disclosures of the said material information are made to stock exchange(s), subject to the provisions of this Policy.

Contact Details:

Mr. Ramasubramanian Sankaran
Executive Director
Cybertech Systems and Software Limited
Address: B-65, Cybertech House, J. B. Sawant Marg, Thane - 400 604.
Email: Raman.Subramanian@cybertech.com
Contact No. 022- 25834643 Extn: 9215

Mr. Sateesh Wadagbalkar
GM and Company Secretary
Cybertech Systems and Software Limited
Address: B-65, Cybertech House, J. B. Sawant Marg, Thane - 400 604.
Email: Sateesh.Wadagbalkar@cybertech.com
Contact No. 022- 25834643 Extn:9219

8. WEBSITE UPDATION / UPDATES TO STOCK EXCHANGES

The Company shall update all disclosures made under the regulations to the stock exchanges on its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates shall also be hosted on the website of the Company.

9. DISCLOSURE OF EVENTS / INFORMATION ON SUBSIDIARIES

The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.

10. AUTHORIZATION TO KMPs TO SUO-MOTO ACCEPT/DENY REPORTED EVENT OR INFORMATION

Mr. Ramasubramanian Sankaran, Executive Director of the Company, shall be authorised to suo-moto accept / deny any report event or information, which has been unauthorisedly made public by media or by any other means including but not limited to electronic means. He is further authorised to respond to the rumors 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 him shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.

11. COMPLIANCE OFFICER

The Compliance Officer for the Purpose of complying with the provisions of LODR, 2015 shall be the Company Secretary of the Company.

12. POLICY REVIEW

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.