

# **POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS**

Owner: Legal and Secretarial  
Department Review Frequency:  
(Annual)

**Table of Content:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page nos.</b>
1.	Introduction/Background	3
2.	Scope	3
3.	Roles and Responsibilities	3
4.	Policy Details	3
5.	Policy Exception	4

## 1. **Introduction/Background/ Purpose of the Policy:**

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as “ **Listing Regulations**”), mandates disclosure of any events or information which, in the opinion of the board of directors (“**Board**”) of Central Depository Services (India) Limited (“**CDSL**” or the “**Company**”), is material. Regulation 30(4) of the Listing Regulations requires every listed entity to frame a policy for determination of materiality of events and information that requires appropriate disclosure to the stock exchanges.

Accordingly, the **Company** herein sets out a policy for determination of materiality of events and information and disclosure (hereinafter referred to the “**Policy**”).

## 2. **Scope**

This Policy is applicable to the Company. This policy outline the basis for determining materiality of events and/or information for making disclosures under Regulations 30 of the Listing Regulations.

## 3. **Roles and Responsibilities**

The Executive Management Committee and Group Company Secretary of the Company (“**Designated Officers**”) is authorized for the purposes of determining materiality of particular event / information based on application of the guidelines for materiality, as specified in para 4.1 and making disclosures to the stock exchanges under this Policy. The Designated Officer shall take care to ensure that they are reasonably satisfied that any event/information being disclosed is true and correct and does not contain any misrepresentations.

## 4. **Policy Details**

### 4.1 **Criteria for determination of Materiality**

Materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature, the Company shall consider the criteria(s) mentioned below.

- 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; or
- c) If in the opinion of the Board of Directors, the event / information is considered material.

An illustrative list of events / information which shall be disclosed to the stock exchanges on application of guidelines of materiality given above is specified in Para B of Part A of Schedule III of the Listing Regulations. The events / information which shall be disclosed without application of materiality guidelines listed in this Policy as these are “deemed” to be material events, is specified in Para A of Part A of Schedule III of the Listing Regulations.

#### **4.2 Guidance on occurrence of event / availability of information**

- i. The timing of occurrence of an event and/or availability of information has to be decided on a case to case basis.
- ii. In case of natural calamities, disruptions etc. the events/ information can be said to have occurred when the Company becomes aware of the information.
- iii. In matters which would depend on the stage of discussion, negotiation or approval, the events/information can be said to have occurred upon receipt of approval by the Board of Directors or after receipt of approval of the Board of Directors and shareholders, as the case may be.

#### **4.3 Disclosure**

- i. Disclosure of events enumerated in item number 4 of Para A of Part A of Schedule III of the Listing Regulations relating to “Outcome of meetings of the Board of Directors” shall be made within thirty minutes of the closure of the Board Meeting at which such events were considered or discussed.
- ii. All other events mentioned in Part A of Schedule III shall be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information. The Company shall explain to the Stock Exchanges any delay in such disclosure beyond twenty four hours of the occurrence of the event or information.
- iii. The disclosure of events/information of price sensitive nature (such as decision on declaration of dividend) shall be made on receipt of approval of the event by the Board of Directors pending the shareholder’s approval.
- iv. The Company shall ensure that the updated disclosure with respect to the material event / information is made to the stock exchanges on a regular basis till such time the event / information is resolved / closed, with relevant explanation.
- v. The Company shall also disclose all such events or information with respect to subsidiaries which are material for the company.
- vi. It is clarified that as regard any event / information, only such impact which is direct and perceivable, and not remote, shall be considered.
- vii. In addition to the above, the Company may make voluntary disclosures of events/information, as may be specified by the Board or by SEBI from time to time.
- viii. The Company shall disclose on its website all such events or information which has been disclosed to the relevant stock exchange under this Policy, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per its Archival Policy.
- ix. 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, but which may have material effect on it, then the Company shall make adequate disclosures in regard thereof.

#### **5. Policy Exception- Not Applicable**