



MAC Charles (India) Limited

**Policy for Determining & Reporting of
Material Event**

Background

Mac Charles (India) Limited (the “Company”) is committed to transparency and fairness in dealing with all its stakeholders by disclosing all material events/information relating to the Company.

Securities and Exchange Board of India (“SEBI”) with the objective of bringing the basic framework governing the regime of listed entities in line with the Companies Act, 2013 and at the same time compiling all the mandates of varied regulations/circulars issued by SEBI governing equity as well as debt segments of capital market under the ambit of a single document, has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations (“**LODR**” or “**Regulations**”) on September 2, 2015. These Regulations shall come into force on the ninetieth day from their publication i.e. December 1, 2015.

Regulation 30 of the Regulations mandates all listed entities to frame a policy for determination of materiality of events / information, approved by its board of directors. The said Regulation also mandates all listed entities to report (a) all material events that are either specified in the Regulations; and (b) all other events which are determined as material events based on the criteria for determination of materiality of events / information specified in the Regulations.

Policy Objective and Scope

- The purpose of this document is to present a policy statement for the Company regarding disclosure of material events / information in accordance with the provisions of LODR and to determine the events and information which in the opinion of the Board are so material and needed to be disclosed to the Stock Exchanges as per the time span hitherto defined.
- The policy is intended to define 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 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 may have a bearing on the performance of the Company and which may materially affect the share prices of the company.
- 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.

In compliance with Regulation 30 of the aforesaid Regulations, the Board of Directors (“Board”) of the Company had adopted the amended “Policy for Determination and Reporting of Material Events” (Policy) at its meeting held on 26th June, 2020.

1. Title and Commencement

- 1.1. This Policy is called “Policy for Determination and Reporting of Material Events”.
- 1.2. It shall come into force with effect from 26th June, 2020.

2. Definitions

- 2.1 “**Board of Directors or Board**” means the Board of Directors of Mac Charles (India) Limited, as constituted from time to time.
- 2.2 “**Company**” means “Mac Charles (India) Limited”.
- 2.3 “**Compliance officer**” means Company secretary of the Company
- 2.4 “**LODR**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 2.5 “**Key Managerial Personnel**” (KMP) of the Company includes Managing / Whole-time Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.
- 2.6 “**Policy**” means Policy on Disclosure of Material Events / Information.
- 2.7 “**Material Events**” are those that are specified in Para A of Part A of Schedule III of the LODR, which is reproduced in Annexure-I
- 2.8 “**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, which is reproduced in Annexure-I
- 2.9 “**Stock Exchange**” means Bombay Stock Exchange where the securities of the Company are listed.

3. DETERMINATION OF MATERIALITY OF EVENT AND/OR INFORMATION:

- 3.1 In terms of Regulation 30 of Listing Regulations, the events specified in Annexure-1 A of this Policy, are deemed to be material events and the Company is mandatorily required to disclose such events without application of any materiality threshold limits.
- 3.2 The events specified under Annexure-1 B of this Policy, shall be disclosed based on application of the guidelines for materiality as detailed 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) If 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) 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 the Company such event/information is considered material (collectively, the "Guidelines for Materiality")

An event / information is considered to be material, if it is likely to result in one or more of the following impacts:

- (a) impact of 10% or more on the gross turnover or revenues or total income or impact of 20% of the net worth, both as per the last consolidated financial statements of the Company whichever is lower;
- (b) in case where (a) is not applicable, based on the opinion of the Managing Director / Compliance officer /Chief Executive Officer taking into consideration the following:
 - (i) Impact on the reputation of the Company, its brand, goodwill etc.
 - (ii) Business interest of the Company

3.3. Further, in case where an event occurs or an information is available with the Company, which has not been indicated in either Annexure-I A&B of this Policy, but which may have a material effect on the Company, the Company is required to make adequate disclosures in regard thereof.

3.4. The Company shall, with respect to disclosures referred to in Regulation 30 of the Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/ closed, with relevant explanations. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

4. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENT AND/OR INFORMATION

The Whole-time Director or Compliance officer or Chief Financial Officer or will be authorised to determine the materiality of an event or information and for the purpose of advising on the disclosure to the stock exchanges.

The contact details of the Compliance officer shall be disclosed to the Stock Exchange(s) and displayed on the website of the Company.

5. DISCLOSURE OF POLICY AND MATERIAL EVENTS ON THE WEBSITE

This Policy shall be disclosed on the website. Further, the details of Material Events (including updation thereof) disclosed to Stock Exchanges under this Policy and the Regulation 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.

6. DISCLOSURE OF EVENTS / INFORMATION ON SUBSIDIARIES

The Company shall disclose all events or information with respect to subsidiaries which are material.

7. POLICY REVIEW

The Policy shall be reviewed annually or at earlier intervals, if necessary. Consequent upon any changes in the Listing Regulations and other applicable regulatory guidelines, if any, such change to the extent applicable to the Company, shall be deemed to be a part of this Policy until the Policy is reviewed and approved next time..

ANNEXURE I

EXTRACT OF PART A OF SCHEDULE III TO THE REGULATIONS

The following events / Decisions considered Material which need to be disclosed to the stock exchanges within 24 hours of the decision taken at the Board Meeting / happening of the event

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of Regulation (30):

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. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - 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 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; and
 - i) decision on voluntary delisting by the listed entity from stock exchange(s).

5. 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.
6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
8. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
10. One-time settlement with a bank.
11. Reference to BIFR and winding-up petition filed by any party /creditors.
12. 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.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.
16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- m) Any other material information not involving commercial secrets.

Note: If the Company is not in a position to inform the stock exchanges within 24 hours of the occurrence of the event, then it shall inform the stock exchange as soon as it is possible with an explanation as to reason for delay in disclosing the said information.

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of Regulation (30):

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.

C. 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.

D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event / information as specified by the Board from time to time.

Industry Standards Note on Regulation 30 of the LODR Regulations

Purpose of this Industry Standards Note

This Industry Standards Note has been published to:

- Facilitate uniform approach and assist listed entities in complying with their obligations in respect of disclosures under Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”) and circulars issued thereunder (referred to below as the “**Continuous Disclosure Requirements**”)¹; and
- Set out standard operating procedures for compliance with the Continuous Disclosure Requirements.

This Industry Standards Note has been prepared in consultation with SEBI. Any addition/ modification/ alteration to this Industry Standards Note shall be made only in consultation with SEBI. This Industry Standards Note is available on the websites of BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (collectively, the “**Stock Exchanges**”). Further, the same is hosted on the websites of the Federation of Indian Chambers of Commerce and Industry (FICCI) accessible at <https://ficci.in/>, the Associated Chambers of Commerce & Industry of India (ASSOCHAM), accessible at <https://www.assocham.org/>, and the Confederation of Indian Industry (CII), accessible at <https://www.cii.in/>.

The listed entities shall follow this Industry Standards Note to ensure compliance with the Continuous Disclosure Requirements.

Main Aspects covered:

1. Applicability of numerical thresholds to certain companies for Para A(1) of Part A of Schedule III
2. Interpretation of “value or the expected impact in terms of value” under Regulation 30(4)(i)(c).
3. Interpretation of “last audited consolidated financial statements” under Regulation 30(4)(i)(c).
4. Interpretation of “significant market reaction” under Regulation 30(4)(i)(b).
5. Materiality for disclosure under Para A(20) of Part A of Schedule III.
6. Disclosure relating to other persons under Para A(19) and (20) of Part A of Schedule III.

¹ Excluding Regulation 30(11) of the LODR Regulations.

7. Interpretation of “cumulative basis” (as referred in Master circular dated November 11, 2024² read with circular dated December 31, 2024³ issued by SEBI) for disclosure of pending litigations or disputes under Regulation 30(4) read with Para B(8) of Part A of Schedule III.
8. Disclosure of show cause notices under (i) Para A(20) of Part A of the Schedule III, and (ii) Para B(8) of Part A of Schedule III.
9. Disclosure of confidential litigation / dispute / order / action initiated or taken under (i) Para A(19) and (20) of Part A of the Schedule III, and (ii) Para B(8) of Part A of Schedule III.
10. Compliance of timelines for disclosure under Regulation 30(6).
11. Disclosure of events or information which emanate from a decision taken in a meeting of board of directors under Regulation 30(6) read with Master circular dated November 11, 2024 read with circular dated December 31, 2024 issued by SEBI.
12. Disclosure of communication from regulatory, statutory, enforcement or judicial authority under Regulation 30(13).
13. Disclosure of fraud or default under Regulation 30 read with Para A(6) of Part A of Schedule III.
14. Disclosure for resignation key managerial personnel, senior management, etc under Para A(7C) of Part A of Schedule III.
15. Disclosure of winding up petition under Regulation 30 read with Para A(11) of Part A of Schedule III.
16. Disclosure of frauds or defaults by employees of the listed entity under Regulation 30(4) read with Para B(9) of Part A of Schedule III.
17. Disclosure of guarantees and indemnity under Regulation 30(4) read with Para B(11) of Part A of Schedule III.
18. Disclosure of announcement/ communication through social media intermediaries or mainstream media under Regulation 30(4) read with Para A(18) of Part A of Schedule III.
19. Disclosure of schedule of analysts or institutional investors meet at least two working days in advance under Para A(15(a)) of Part A of Schedule III.
20. Disclosure of proceedings of AGMs and EGMs of the listed entity under Para A(13) of Part A of Schedule III.
21. Intimation of forfeiture/restriction on transferability under Para A(2) of Part A of Schedule III.

² Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (SEBI/HO/CFD/PoD2/CIR/P/0155)

³ Circular for implementation of recommendations of the Expert Committee for facilitating ease of doing business for listed entities (SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185)

Industry Standards for Compliance

1. Applicability of numerical thresholds to certain companies for Para A(1) of Part A of Schedule III

1.1. For insurance companies and non-banking financial companies (“NBFC(s)”), including, core investment companies, registered with the Reserve Bank of India (“RBI”), the stipulation in Explanation (1)(ii)(c) to Para A(1) of Part A of Schedule III, should be understood as follows:

1.1.1. In case of acquisitions of listed (or to be listed) equity, convertible or debt securities of another entity, a disclosure of an acquisition would be required to be made only if the cost of acquisition or the price at which the listed (or to be listed) equity, convertible or debt securities are acquired exceeds the threshold specified in Regulation 30(4)(i)(c)(2), i.e., two percent of net worth, as per the last audited consolidated financial statements of the investor entity. In such instances, the materiality thresholds specified in Regulation 30(4)(i)(c)(1) and Regulation 30(4)(i)(c)(3) would not be applicable.

1.1.2. For any other type of acquisition, each of the prescribed materiality thresholds under Regulation 30(4)(i)(c) would continue to apply to assess whether a disclosure of the acquisition is triggered.

2. Interpretation of “value or the expected impact in terms of value” under Regulation 30(4)(i)(c)

2.1. In computing the “expected impact in terms of value” of an event/information, a listed entity should, where applicable, consider the expected impact in the four ensuing quarters (including the quarter in which the event occurs if the event occurs in the first 60 days of the quarter). Illustration in this regard are provided below:

2.1.1. If an event has occurred on May 29, 2023, which is a date in the first 60 days of the quarter, then the computation of the four ensuing quarters for the purposes of assessing the expected impact of the event would include the ongoing quarter beginning April 1, 2023. Accordingly, the period of assessment would be the four quarters beginning April 1, 2023, till March 31, 2024.

2.1.2. However, if an event has occurred on June 1, 2023, which is date not in the first 60 days of the quarter, then the computation of four ensuing quarters for the purposes of assessing the expected impact of the event would not include the ongoing quarter. Accordingly, the period of assessment would then be from July 1, 2023 till June 30, 2024.

2.2. Disclosure / non-disclosure would typically be in compliance with the regulatory requirements if while undertaking the assessment of the “value” and “expected impact in terms of value”, the listed entity places reliance on the principles for measurement set out under the applicable accounting standards (such as the PPR test formulated basis the principles for measurement set out under Ind AS 37), so as to ensure consistency between the disclosures made to the stock exchanges, and the disclosures made in the financial statements. For instance, if the outcome for a matter (above the materiality threshold) falls within probable or possible category then it may be disclosed, however, if it falls within remote category then disclosure may not be required under Para B(8) of Part A of Schedule III.

- 2.3. Disclosure of an event under Para B of Part A of Schedule III would be required to be made if the gross amount involved in such event exceeds the materiality threshold. However, listed entities may disclose details of indemnity and insurance claims which could mitigate the expected impact, if any, in respect of such event to provide more context while making the disclosure.
- 2.4. In certain instances, all of the three parameters specified under Regulation 30(4)(i)(c) (viz., profit / net worth / turnover) may not be relevant to an event. As such, while assessing whether an event exceeds the materiality thresholds, listed entities should refer to **Annexure A** for guidance on which of the relevant and appropriate parameter ought to be considered for determination of materiality for different types of events under Para B of Part A of Schedule III.
- 3. Interpretation of “last audited consolidated financial statements” under Regulation 30(4)(i)(c)**
- 3.1. The reference to last audited consolidated financial statements in this Regulation shall mean the annual audited consolidated financial statements of the listed entity.
- 4. Interpretation of “significant market reaction” under Regulation 30(4)(i)(b)**
- 4.1. Significant market reaction may differ from company to company. Significant market reaction may be assessed against scrip price, as per the parameters specified by the stock exchange(s).
- 5. Materiality for disclosure under Para A(20) of Part A of Schedule III**
- 5.1. For disclosure of imposition of fine or penalty under Para A(20) of Part A of Schedule III:
- 5.1.1. **Action taken or Order Passed by Sector Regulator / Enforcement Authority:** Action taken or order passed by the sector regulator / enforcement authority of the listed entity would be required to be disclosed, if such action or order, where quantifiable, exceeds the threshold specified by SEBI. The listed entity may refer to **Annexure B** for identifying its sector regulator / enforcement authority. Listed entities may also include other sector regulator/ enforcement authorities depending on their business, in their materiality policy.
- 5.1.2. **Action taken or Order Passed by all other Regulators / Authorities (Other than Regulators under paragraph 5.1.1 above):** Action taken or order passed by a regulatory/statutory/enforcement/judicial/quasi-judicial authority would be required to be disclosed only if such action or order, where quantifiable, exceeds the threshold specified by SEBI.
- 5.2. Further, imposition of fine or penalty below the quantifiable thresholds mentioned in paragraphs 5.1.1 and 5.1.2 above, should be disclosed by the listed entity on a quarterly basis.

6. Disclosure relating to other persons under Para A(19) and (20) of Part A of Schedule III

- 6.1. Listed entity while considering whether a matter involving directors, key managerial personnel, senior management, promoter or subsidiary requires disclosure can restrict themselves to disclosing such matters which are “in relation to the listed entity” and have an impact on operations, financial position or reputation of the listed entity.

7. Interpretation of ‘cumulative basis’ (as referred in Master circular dated November 11, 2024 read with circular dated December 31, 2024 issued by SEBI) for disclosure of pending litigations or disputes under Regulation 30(4) read with Para B(8) of Part A of Schedule III

- 7.1. For litigations or disputes having similar question of law and/or factual matrix such that there is a likelihood of similar outcome of proceedings, the listed entity should disclose such matters, if the aggregate / cumulative amount involved in all such matters cross the materiality threshold. The requirement of aggregation / cumulation will not be applicable only on the account of (i) the opposite party being the same person in more than one matter, or (ii) the litigation involving listed entity and its subsidiaries. It is clarified that the likelihood of similar outcome of proceedings, shall refer to a negative outcome for the listed entity in one proceeding which may lead to similar negative outcomes in the other matters.
- 7.2. For instance, in case of tax matters, the tax authorities may initiate different proceedings against a listed entity for different financial years or in different states, around the same set of facts and legal issues. If it is expected that if one proceeding is held against the entity on merit or law, then the others will also be held against the listed entity, then all such matters should be cumulated. However, matters involving the tax authorities (as common opposite party) with different facts and outcome of which are not inter-related, should not be cumulated. Similarly, matters initiated by or against the listed entity and its subsidiary against or by a common opposite party, with different facts and outcome of which are not inter-related, should not be cumulated.

8. Disclosure of show cause notices under: (i) Para A(20) of Part A of the Schedule III and (ii) Para B(8) of Part A of Schedule III

- 8.1. Receipt of a show cause notice would not trigger a disclosure requirement under Para A(20) of Part A of the Schedule III. However, receipt of a show cause notice from any regulatory, statutory, enforcement authority would come under Para B(8) of Part A of the Schedule III, and require disclosure upon application of the guidelines for materiality, as specified in Regulation 30(4).

9. Disclosure of confidential litigation / dispute / order / action initiated or taken under (i) Para A(19) and (20) of Part A of the Schedule III, and (ii) Para B(8) of Part A of Schedule III

- 9.1. Listed entities while evaluating the expected impact (and subsequently, the disclosure requirement) of pending litigation / dispute / order / action initiated or taken may also consider whether the same is confidential in nature under any applicable law and/or requirement / direction of any regulatory, statutory, judicial or quasi-judicial authority, or any tribunal.

10. Compliance of timelines for disclosure under Regulation 30(6)

10.1. Appropriate systems should be implemented by the listed entity for prompt internal reporting of events and training sessions at regular intervals may be conducted by listed entities in order to ensure awareness within the system of the requirement under Regulation 30 of the LODR Regulations. The timelines stipulated in this Regulation for making disclosures to the stock exchanges would begin once an officer of the listed entity has become aware of the occurrence of an event / information, through credible and verifiable channels of communication. For the purpose of this paragraph 10, the term ‘officer’ shall have the same meaning ascribed to it under section 2(59) of the Companies Act, 2013.

10.2. It shall be a defence for non-compliance with the timelines prescribed if there is any reasonable delay on account of (i) a force majeure event, (ii) time taken for completion of prima facie assessment of materiality for certain relevant events (such as orders, fraud, winding-up petitions, action initiated, claims made against listed entity, etc.), or (iii) information / event relating to subsidiary, director, key managerial personnel, senior management or promoter (where listed entity is not directly involved), etc. In such events, explanation for the delay should be provided along with the disclosure of the event / information.

11. Disclosure of events or information which emanate from a decision taken in a meeting of board of directors under Regulation 30(6) read with Master circular dated November 11, 2024 read with circular dated December 31, 2024 issued by SEBI

11.1. The timelines specified for disclosure of events or information which emanate from a decision taken in a meeting of board of directors, shall be applicable for making the disclosure in portable document format (.pdf). The listed entities may make the disclosure in eXtensible Business Reporting Language (XBRL) format within 24 hours from the conclusion of the meeting of the board of directors.

12. Disclosure of communication from regulatory, statutory, enforcement or judicial authority under Regulation 30(13)

12.1. The listed entities, while disclosing material information which is disclosable under Regulation 30 with respect to such communication, shall not be required to disclose confidential and sensitive information, including proprietary information. A summary of key elements of such communication (furnished in the prescribed format as set out in **Annexure C**) shall constitute sufficient compliance under Regulation 30(13).

12.2. To the extent the listed entities make disclosures of all relevant information as per the prescribed format under this requirement, they shall not be required to provide a copy of the communication from regulatory, statutory, enforcement or judicial authority.

13. Disclosure of fraud or default under Regulation 30 read with Para A(6) of Part A of Schedule III

13.1. In instances where the fraud relates to the listed company, the timelines stipulated in this Regulation for making disclosures to the stock exchanges would begin: (i) once a prima facie assessment of fraud having occurred is completed, or (ii) upon the expiry of 4 weeks from the time when the listed company becomes aware of the alleged fraud, whichever is earlier. Further, the listed entities will be required to make final disclosure once the investigation is fully concluded.

- 13.2. In instances where the allegation of fraud does not involve the listed company or is not in relation to the affairs of such listed entity, but pertains to its promoter, director, key managerial personnel, senior management or subsidiary, the obligation of the listed company to make a disclosure shall trigger once an officer of that listed company has become aware of the occurrence of fraud, through credible and verifiable channels of communication in relation to the relevant parties.

14. Disclosure for resignation of key managerial personnel, senior management, etc. under Para A(7C) of Part A of Schedule III

- 14.1. In cases of key managerial personnel, senior management, compliance officer and non-independent directors of a listed entity, the phrase “resignation comes into effect” as used in Para A(7C) shall mean the last date of the concerned person in the listed entity, and the timelines for disclosure as per ParaA(7C) shall be calculated accordingly. For instance, *if Ms. X is a key managerial personnel in a listed entity, who submits her resignation letter on January 1, 2024, the management of the listed entity accepts the resignation on January 31, 2024 and her last date in the listed entity is February 28, 2024, the listed entity will be required to make the disclosure of her resignation on or prior to February 29, 2024 (i.e. within 24 hours of such resignation coming into effect) as per Para A(7C). The listed entity would also be required to provide the copy of her resignation letter dated January 1, 2024 on or prior to March 6, 2024 (i.e. within seven days from the date that such resignation comes into effect), along with detailed reasons for the resignation.*

- 14.2. When disclosing a copy of the resignation letter of the key managerial personnel, senior management, compliance officer or director, other than an independent director, to stock exchanges, the listed entity may redact portions from such resignation letter, other than the detailed reasons for resignation.

15. Disclosure of winding up petition under Regulation 30 read with Para A(11) of Part A of Schedule III

- 15.1. Listed entities while considering whether a winding up petition requires disclosure can restrict themselves to disclosing those winding up petitions validly filed by eligible parties under Sections 271 and 272 of the Companies Act, 2013 (once such matter is admitted by NCLT).

16. Disclosure of frauds or defaults by employees of the listed entity under Regulation 30(4) read with Para B(9) of Part A of Schedule III

- 16.1. The listed entities may consider the definition of ‘fraud’ and ‘default’ as provided Para A (6) of Part A of Schedule III for the purposes of this provision.
- 16.2. For the purposes of timing and stage of disclosure, please refer to paragraph 13 above.

17. Disclosure of guarantees and indemnity under Regulation 30(4) read with Para B(11) of Part A of Schedule III

- 17.1. Listed entities may exclude indemnity/guarantee/surety, by whatever name called, provided for their wholly-owned subsidiaries which are consolidated in their financials from the scope of third-party indemnity/ guarantee/ surety. However, listed entities would be required to disclose such indemnity/ guarantee/ surety pertaining to their wholly-owned subsidiary, if the concerned entity ceases to be a wholly owned subsidiary of the listed entity.

- 17.2. The disclosure requirement shall not extend to contractual performance guarantees given by listed entities, involved in business activities where such performance guarantees are required to be furnished in the normal course of business. However, disclosure should be made upon invocation of such performance guarantees.
- 17.3. Additionally, guarantees, indemnity or surety bonds given by listed banking companies and surety insurance provided insurance companies in the normal course of their business, will not trigger a disclosure requirement. However, disclosure would be required upon invocation of such guarantees, indemnity or surety bonds.
- 17.4. Further, all material indemnity/ guarantee/ surety pertaining to their wholly-owned subsidiary would be required to be disclosed by the listed entity in cases where such indemnity/ guarantee/ surety is invoked.
- 18. Disclosure of announcement/ communication through social media intermediaries or mainstream media under Regulation 30(4) read with Para A(18) of Part A of Schedule III**
- 18.1. In case of any premature announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, while making the requisite disclosure under this provision, the listed entity shall be required to issue necessary clarification in respect to such announcement / communication.
- 19. Disclosure of schedule of analysts or institutional investors meet at least two working days in advance under Para A(15(a)) of Part A of Schedule III**
- 19.1. For analysts or institutional investors meet which are scheduled by the listed entities at short notice for urgent matters, the requirement of providing at least two working days' notice in advance may be dispensed with. In such a case, the schedule of meetings should simultaneously be submitted to the stock exchanges along with the explanation for the short notice. Further, the meeting shall not be preceded or succeeded by any one-to-one meetings.
- 20. Disclosure of proceedings of AGMs and EGMs of the listed entity under Para A(13) of Part A of Schedule III**
- 20.1. A listed entity shall disclose voting results of annual and extraordinary general meetings as per the timelines provided in Regulation 44(3) of the LODR Regulations. However, certain specific details, such as, date of meeting and brief details of items deliberated, should be disclosed within 12 hours as per Regulation 30(6)(ii) of the LODR Regulations.
- 21. Intimation of forfeiture/restriction on transferability under Para A(2) of Part A of Schedule III**
- 21.1. The listed entity shall not be required to make disclosures in such situations where the restriction on transferability was a result of operation of any of the statutes or regulations applicable to the listed entity. For instance, the RBI imposes restrictions on change in shareholding of NBFCs beyond 26% without approval of the RBI. Similarly, the Insurance and Regulatory Development Authority of India (IRDAI) has prescribed approval requirements if the holding crosses a certain limit. In such cases, the listed entity would not be required to make disclosures on the restriction on transferability.

Annexure A

Guidance on appropriate parameter (profit / net-worth / turnover) to be considered for determination of materiality for different types of events under Para B of Part A of Schedule III of LODR Regulations

As per regulation 30(4)(i)(c) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('**LODR Regulations**'),

(i) *The listed entity shall consider the following criteria for determination of materiality of events/ information:*

(c) *the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:*

- (1) *two percent of turnover, as per the last audited consolidated financial statements of the listed entity;*
- (2) *two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;*
- (3) *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 listed entity.*

Thus, it is understood that any event/ information shall be considered as material for the Company if the value of such transaction or the expected impact of such event/ information in terms of value is lower of the turnover or net worth or profits after tax as calculated under the above stated provisions.

However, in certain instances, all of the three parameters specified under Regulation 30(4)(i)(c) (viz, profit / net worth / turnover) may not be relevant to an event. Applying the principle of *Reddendo Singula Singulis* to the materiality provisions of LODR Regulations, it can be said that since there are separate thresholds of 2% of turnover, 2% of net worth and 5% of average PAT, each of such values can be applied individually and a particular threshold would be relevant and applicable depending on the nature of the event/ information being assessed. For instance, any event which has an impact on the turnover or profits of the Company can be considered material by comparing the value of such event/ information with 2% of the consolidated turnover or 5% of the average PAT respectively.

Similarly, if there is any event/ information which has a capital cost involved, then the materiality of such event/ information can be identified by comparing the value of such event/ information with 2% of the consolidated net worth of the Company and if the value of event exceeds such threshold, then the event would be considered as material.

Based on the above, an analysis as to which of the three parameters should be applied for events or information stated in Schedule III, Part A, Para B is suggested below for uniform approach by the listed entities:

| S. No. | Para B Events | Comparable with individual threshold limit (Numerator to Denominator) |
|--------|--|---|
| 1 | Commencement or any postponement in the date of commencement of commercial | Lower of the below: |

| S. No. | Para B Events | Comparable with individual threshold limit (Numerator to Denominator) |
|--------|---|--|
| | production or commercial operations of any unit/division. | a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT |
| 2 | Any of the following events pertaining to the listed entity: | |
| | (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or | Lower of the below: a. Capital invested or to be invested for such tie-up to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT |
| | (b) adoption of new line(s) of business; or | Lower of the below: a. Capital invested or to be invested for new line of business to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT |
| | (c) closure of operations of any unit, division or subsidiary (in entirety or in piecemeal) | Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT |
| 3 | Capacity addition or product launch. | Capacity addition: Lower of the below: a. Capital invested or to be invested to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT Product launch: Lower of the below: a. Capital invested or to be invested for product launch to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT |

| S. No. | Para B Events | Comparable with individual threshold limit (Numerator to Denominator) |
|--------|--|---|
| 4 | Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business | Lower of the below: a. Expected capital expenditure to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT |
| 5 | Agreements (viz. loan agreement(s) 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 | Lower of the below, as may be applicable: a. Expected impact on balance sheet (increase in liability in terms of amount of loan) to 2% of consolidated net worth; or b. Expected impact on turnover to 2% of consolidated turnover; or c. Expected impact on profit/ loss to 5% of average PAT |
| 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. | Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT |
| 7 | Effect(s) arising out of change in the regulatory framework applicable to the listed entity. | Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT |
| 8 | Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity | Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT |
| 9 | Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity | Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT |
| 10 | Options to purchase securities including any ESOP/ESPS Scheme | Lower of the below: a. Expected increase in capital to 2% of consolidated net worth; or b. Expected impact on profit/ loss to 5% of average PAT |

| S. No. | Para B Events | Comparable with individual threshold limit (Numerator to Denominator) |
|--------|---|--|
| 11 | Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party | Lower of the below: a. Expected impact on balance sheet (increase in liability in terms of amount of guarantee, indemnity, surety, etc.) to 2% of consolidated net worth; or b. Expected impact on profit/ loss in case the guarantee / indemnity / surety is invoked to 5% of average PAT |
| 12 | Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals. | Lower of the below: a. Expected impact on turnover to 2% of consolidated turnover; or b. Expected impact on profit/ loss to 5% of average PAT |
| 13 | Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority | Threshold to be linked with Para A(20) - imposition of penalty. |

Notes:

1. The above comparison of numerator to denominator for each event shall be applied basis on the assessment available with the Company, whether internal or external including any press release, transaction documents, insurance, board presentation, management review, etc., for determining such expected impact on turnover, capital expenditure, profits, etc.
Refer Para 2.1 of the Note for explanation on computing “expected impact in terms of value”.
2. Consolidated turnover, net worth and profit/loss shall be as per the last audited consolidated financial statements of the listed entity and the average PAT shall be average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity.

Annexure B

Part I - List of sector regulators in India

| S. No. | Industry/Sector | Regulator(s) |
|---------------|--------------------------------------|---|
| 1. | Chemicals and petrochemicals | Ministry of Chemicals and Fertilizers |
| 2. | Fertilizers and agrochemicals | Ministry of Chemicals and Fertilizers |
| 3. | Cement and cement products | - |
| 4. | Other construction materials | - |
| 5. | Ferrous metals | - |
| 6. | Non-ferrous metals | - |
| 7. | Diversified metals | - |
| 8. | Minerals and mining | Directorate General Of Mines Safety |
| 9. | Metals and minerals trading | - |
| 10. | Paper, forest and jute products | - |
| 11. | Automobiles | - |
| 12. | Auto components | - |
| 13. | Consumer durables | - |
| 14. | Textiles and apparels | - |
| 15. | Media | Ministry of Information and Broadcasting |
| 16. | Entertainment | Telecom Regulatory Authority of India, Department of Telecommunications |
| 17. | Printing and publication | Ministry of Information and Broadcasting |
| 18. | Realty | Real Estate Regulatory Authority |
| 19. | Leisure services | - |
| 20. | Other consumer services | - |
| 21. | Retailing | - |
| 22. | Gas | Petroleum and Natural Gas Regulatory Board |
| 23. | Oil | Petroleum and Natural Gas Regulatory Board |
| 24. | Petroleum products | Petroleum and Natural Gas Regulatory Board |
| 25. | Consumable fuels | Petroleum and Natural Gas Regulatory Board |
| 26. | Agricultural food and other products | - |
| 27. | Beverages | - |
| 28. | Cigarettes and tobacco products | - |
| 29. | Personal products | - |
| 30. | Household products | - |
| 31. | Diversified FMCG | Food Safety and Standards Authority of India (FSSAI), Food and Drug Administration (FDA) |
| 32. | Banks/ NBFCs | Reserve Bank of India, Banking Ombudsman, Securities and Exchange Board of India (to the extent it acts as a licensing authority vis-à-vis the listed entity), Insurance Regulatory and Development Authority of India (to the extent it acts as a licensing authority vis-à-vis the listed entity), Pension Fund |

| S. No. | Industry/Sector | Regulator(s) |
|--------|--|---|
| | | Regulatory and Development Authority (to the extent it acts as a licensing authority vis-à-vis the listed entity) |
| 33. | Capital markets | Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India (to the extent it acts as a licensing authority vis-à-vis the listed entity), Insurance Regulatory and Development Authority of India (to the extent it acts as a licensing authority vis-à-vis the listed entity), Pension Fund Regulatory and Development Authority (to the extent it acts as a licensing authority vis-à-vis the listed entity). |
| 34. | Insurance | Insurance Regulatory and Development Authority of India, Pension Fund Regulatory and Development Authority (to the extent it acts as a licensing authority vis-à-vis the listed entity) |
| 35. | Financial technology (fintech) | Reserve Bank of India (to the extent it acts as a licensing authority vis-à-vis the listed entity), Securities and Exchange Board of India (to the extent it acts as a licensing authority vis-à-vis the listed entity), Insurance Regulatory and Development Authority of India (to the extent it acts as a licensing authority vis-à-vis the listed entity), Pension Fund Regulatory and Development Authority (to the extent it acts as a licensing authority vis-à-vis the listed entity) |
| 36. | Pharmaceuticals and biotechnology | National Pharmaceutical Pricing Authority (NPPA) |
| 37. | Healthcare equipment and supplies | Central Drugs Standard Control Organisation |
| 38. | Healthcare services | National Medical Commission |
| 39. | Construction | - |
| 40. | Aerospace and defense | Directorate General of Civil Aviation (DGCA) |
| 41. | Agricultural, commercial and construction vehicles | - |
| 42. | Electrical equipment | - |
| 43. | Industrial manufacturing | - |
| 44. | Industrial products | - |
| 45. | IT – software/ services/ hardware | - |
| 46. | Engineering services | - |
| 47. | Transport services | - |
| 48. | Transport infrastructure | - |
| 49. | Commercial services & supplies | - |
| 50. | Public services | - |
| 51. | Telecom – services | Telecom Regulatory Authority of India, Department of Telecommunications |
| 52. | Telecom – equipment & accessories | Telecom Regulatory Authority of India , Department of Telecommunications |
| 53. | Power | Central/State Electricity Regulatory Commissions |

| S. No. | Industry/Sector | Regulator(s) |
|--------|--|--------------|
| 54. | Other utilities • Water supply & management • Waste management • Emergency services • Multi utilities • Other utilities | - |
| 55. | Diversified | - |

Part II – List of Enforcement Authorities

- Enforcement Directorate and Central Bureau of Investigation.

Annexure C

[On the letterhead of the listed entity]

Date: [●]

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
Maharashtra, India

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai 400 051
Maharashtra

Dear Sir / Madam,

Re: [●]

In respect of the captioned matter, I/ (we) the undersigned, state and declare that the information and details provided in **Form A**, in compliance with Regulation 30(13) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is true, correct and complete to the best of my/ (our) knowledge and belief.

Thanking you,

Yours faithfully,

Name and Signature:

Date and Place:

Designation:

Email ID:

Form A

Disclosure by [Name of listed company] regarding receipt of communication from regulatory, statutory, enforcement or judicial authority under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

[Regulation 30(13) – Disclosure of communication from regulatory, statutory, enforcement or judicial authority]

| Sr. No. | Particulars | Details |
|---------|--|---------|
| 1. | Name of the listed company | |
| 2. | Type of communication received | |
| 3. | Date of receipt of communication | |
| 4. | Authority from whom communication received | |
| 5. | Brief summary of the material contents of the communication received, including reasons for receipt of the communication | |
| 6. | Period for which communication would be applicable, if stated | |
| 7. | Expected financial implications on the listed company, if any | |
| 8. | Details of any aberrations/non-compliances identified by the authority in the communication | |
| 9. | Details of any penalty or restriction or sanction imposed pursuant to the communication | |
| 10. | Action(s) taken by listed company with respect to the communication | |
| 11. | Any other relevant information | |
