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**CEIGALL INDIA LIMITED**

**DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION POLICY**

**1. Introduction**

Under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations / **LODR**), every listed entity has to make disclosure of events or information which are deemed material as well as events or information which needs to be disclosed by applying a materiality criteria.

2. Accordingly, Ceigall India Limited ('Ceigall India' or the 'Company') herein sets out a Policy for determination of materiality of events and information and disclosure thereof. The Policy is also required to be disclosed on the website of the Company. The events / information that would be disclosed would be as presently prescribed by Securities and Exchange Board of India under SEBI Listing Regulations as would be amended from time to time.
3. The Company has further the amended policy on determination of materiality of events and information and disclosure in its meeting held on 04-02-2025 and 09-02-2026.

**4. Purpose**

The purpose of this Policy is to guide the Company to make disclosure of events and information as specified in Regulation 30 read with Para A (events which are deemed material) and Para B (events where materiality threshold needs to be applied) of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

Additionally, under Regulation 30(11) of the Listing Regulations, the Company is required to confirm, deny or clarify, upon Material Price Movement, any reported event or information in the Mainstream Media.

To comply with the provisions of the Listing Regulations, the Company has to ensure the following:

- a. Lay down the policy for determining materiality of events/information which require disclosure to the Stock Exchanges where the securities of the Company are listed.
- b. Authorise one or more Key Managerial Personnel for the purpose of determining materiality of events or information and making necessary disclosures to the Stock Exchanges.
- c. Provide a mechanism to the Relevant Employees of the Company in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel for determining materiality and making necessary disclosure to the Stock Exchanges.
- d. Decide the jurisdictions with material operations and the specific news sources in such jurisdictions which need to be tracked for verification of rumours.

The Company and its relevant employees shall ensure compliance with this policy and the Listing Regulations to the best of their efforts and apply due diligence and reasonable care.

## 5. Definitions:

'Industry Standard' shall mean "Industry Standards Note on Regulation 30 of LODR Regulations" specified by SEBI vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/25 dated February 25, 2025, and as amended from time to time, and as attached hereto as Annexure D.

**"Normal course of Business"** shall mean all those transactions, events, and activities that satisfy one or more of the below attributes:

- (a) Transactions that are in consonance with the current business operations of the Company.
- (b) Transactions, events, or activities which are conducted on a frequent or recurring basis as a part of regular operations.
- (c) The terms of the transactions, events, or activities are comparable to those that would be applicable to transactions or activities with other independent parties such that these transactions are conducted at arm's length.

**"Relevant Employees"** shall include employees of the Company who deal with or becomes aware of potential material event or information in the course of performance of his/her duties and whose names are added in the Company's designated portal for sharing material information.

**"Impending specific event/information"** shall mean all the events or information, which satisfy the below attributes:

- a) The events which are specifically related to the Company;
- b) The information circulated has specific aspects/details of the reported transaction.
- c) Where the probability of going ahead with the information/concerned event within a reasonable period of its publication is higher, or the information is completely false; and
- d) Disclosure of such reported transactions is not constrained by any regulatory or contractual conditions.

**"Not general in nature"** shall include those events and information which are related to the Company, the industry or the group in general and does not have attributes of "Impending specific event/information."

**"Expected impact in terms of value"** means the value determined with respect to an event or information by the Relevant Employees as per the criteria determined by the Company.

**"Default"** shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

**"Mainstream Media"** shall cover specific news sources as specified in Industry Standards note on verification of market rumours recognised by SEBI Circular dated May 21, 2024 and issued by Industry Standards Forum ("ISF"), under Regulations 30(11) of Listing Regulations, as amended from time to time.

**"Material Price Movement"**, shall be calculated as per the framework issued by the stock exchanges / SEBI from time to time.

The words and expressions used but not defined herein shall have the same meaning as assigned to those words and expressions under the Listing Regulations. If any word and expression is not defined in the Listing Regulations, such word and expression shall have the same meaning as mentioned under the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

## **6. Criteria for determination of materiality of events or information under the Listing Regulations**

The Listing Regulations lay down the following criteria for determining the materiality of events or information:

1. All events/information stated in Para A of Part A of Schedule III to the Listing Regulations are deemed to be material and shall be disclosed without application of materiality thresholds applicable to the Company. The list of these events is provided in **Annexure A** of this policy.
2. Events specified in Para B of Part A of Schedule III of the Listing Regulations are provided in **Annexure B** of this Policy. These events have to be disclosed based on materiality thresholds applicable to the Company.

Criteria for disclosure of events specified in Para B of Part A of Schedule III is given below:

### **(a) Quantitative Criteria**

The authorized key managerial personnel shall consider whether 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.
- ii. two percent of net worth, 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.

### **(b) Qualitative Criteria**

The authorized key managerial personnel shall also consider the following criteria for determination of materiality of events/information: -

- i. The omission of an event or information, which is likely to result in discontinuity or alteration of events or information already available publicly.
- ii. The omission of an event or information, which is likely to result in significant market reaction, if the said omission came to light at a later date

In case the criteria specified in sub-clauses (a) and (b) above is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors or the authorised key managerial personnel of the Company, the event or information is considered material.

3. In addition to the above criteria the following factors shall also be considered for determination of materiality of event/ information:
  - a. Any event/ information which directly or indirectly may affect the reputation of the Company; or
  - b. Any event/ information, which if not disclosed promptly may lead to the creation of false market in the securities of the Company; or
  - c. Any event/ information which is not in the normal course of business.

4. Events/information with respect to any subsidiary of the Company would be considered material for the Company if the value or expected impact of the event/ information on the Company in terms of value exceeds the materiality thresholds described in above paragraphs. Please refer to **Annexure C**.

#### **7. Guidelines for determination of normal course of business of contracts and orders**

The Company will report on media releases including all important orders bagged, mergers and acquisitions and hive-offs by the Company and its unlisted subsidiaries to the Stock Exchanges, in accordance with Regulation 30 of the Listing Regulations.

In addition, the following materiality criteria shall be adopted in the case of the Company, its Subsidiaries and Associate companies (other than the Subsidiary companies whose equity shares are listed) with respect to transactions entered in the normal course of business for reporting to the Stock Exchanges:

- (a) Orders/contracts valued at Rs. 500 crore and above, bagged by the Company.
- (b) Orders/contracts valued at Rs.500 crore and above, bagged by Subsidiary companies other than the Subsidiary companies whose equity shares are listed.

In the case of Joint Ventures (JV), where the JV Partner makes a disclosure, the Company too shall make the disclosure to the Stock Exchange(s).

#### **8. Mechanism to be adopted for identifying and reporting potential material event/information by Relevant Employees**

The Relevant Employees shall be responsible for identifying events/information which has potential to be classified as material events/information as per this policy. They can refer the events specified in Para A and Para B of Part A of Schedule III of Listing regulations provided in Annexure A & B this policy.

Upon identification of potential material events/information, the Relevant Employee shall promptly report the details of such potential material events/information to the authorised key managerial personnel through the mechanism as decided by the Company.

The details so submitted shall be authentic and comprehensive to enable the authorised key managerial personnel to make informed decisions and make appropriate disclosures if deemed necessary.

The Relevant Employees should exercise reasonable diligence to ensure confidentiality of the details being submitted to the authorised key managerial personnel.

The Relevant Employees may approach the authorised key managerial personnel for seeking guidance/clarity to ensure effective implementation of this policy.

The Company Secretary / Compliance Officer of the Company may conduct periodic trainings / sensitization programs and/or release FAQs, framework to further assist Relevant Employees for effective implementation of this policy.

**9. Verification of market rumours**

The Company is required to confirm, deny or clarify, upon Material Price Movement, any reported event or information in the Mainstream Media which is not general in nature, and which indicates that a rumour of an impending specific event or information. The confirmation, denial or clarification would be made to the Stock Exchanges as soon as reasonably possible, however, not later than twenty-four hours from the Material Price Movement.

Directors, Key Managerial Personnel and Senior Management of the Company shall provide adequate, accurate and timely responses to queries raised or explanations sought by the Company in order to ensure compliance with the requirements of verification of market rumours and the Company shall disseminate the response received from such individual(s) promptly to the Stock Exchanges.

In case there are no rumours as envisaged above, the Company need not clarify the Stock Exchanges.

Any Impending specific event/information which is in connection to an unlisted subsidiary shall also be confirmed/ denied/ clarified by the Company if there is a Material Price Movement.

For the purpose of verification of market rumours, the Company shall follow the Industry Standards Note on verification of market rumours, recognized by SEBI Circular dated May 21, 2024, and issued by Industry Standards Forum (“ISF”), under Regulation 30(11) of Listing Regulations, as amended from time to time.

For determining foreign jurisdictions on material business operations, the Company has adopted the below criteria.

Jurisdiction where the business operations of the Company account for:

- (a) 10% or more of the consolidated revenue; or
- (b) 10% or more of consolidated order inflow, as per the last audited consolidated financial statements of the Company.

**10. Authorisation for determination of materiality of event or transaction or information and verification of market rumours**

The Key Managerial Personnel as authorised by the Board from time to time shall have the authority to determine the materiality of any event or information and to make appropriate disclosures to the Stock Exchange(s) under the Regulations for:

- (a) the “Materiality” of any event / transaction / information based on the above guidelines/criteria; and
- (b) whether a market rumour should be confirmed, denied or clarified

The concerned Key Managerial Personnel shall intimate the Company Secretary to disclose the said information to the Stock Exchanges.

Any decision taken by them shall be valid and binding on the Company.

The authorised Key Managerial Personnel are also empowered to seek appropriate counsel or guidance as and when deemed necessary.

**11. Disclosure of events/ information to the stock exchanges:**

1. The Company shall disclose all events or information which are material in accordance with the Policy as soon as reasonably possible and in any case not later than the following:
  - a. thirty minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken.
    - i. In case the Board of Directors has granted approval for any proposal subject to fulfilment of certain conditions and has authorised the management of the Company to finalize and implement the same, then such approval shall not be deemed to be material event/information which will require disclosure under this policy, till the conditions are fulfilled.
  - b. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company.
  - c. twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:
2. In case the disclosure is made after the timelines specified above of the occurrence of such event/ information, the Company shall, along with such disclosure(s) provide an explanation for the delay.
3. The Company shall disclose to the stock exchanges material updates on the events/ information disclosed under this Policy till such time the event is resolved/ closed, with relevant explanations.
4. The determination of time of occurrence of an Event / information shall be guided by the Circulars / Guidelines issued in this regard by the Securities and Exchange Board of India, from time to time
5. The Company shall also disclose all events or information with respect to subsidiaries which are material for the Company.
6. The Company shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any events or information.

Without prejudice to the generality of provisions of this Policy, the Company may make additional disclosures of any event/ information as it may deem fit from time to time.

**12. Review & Amendment**

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Executive Committee has the right to change/amend the policy as may be expedient considering the law for the time being in force.

The Policy shall also be displayed on the Website of the Company.

**Events specified in Para A of Part A of Schedule III of the Listing Regulations**

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.

Explanation (1) - For the purpose of this sub-paragraph, the word 'acquisition' shall mean-

- a. acquiring control, whether directly or indirectly; or
- b. acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
  - a) the listed entity holds shares or voting rights aggregating to *twenty 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-paragraph and such change exceeds five per cent of the total shareholding or voting rights in the said company; or
  - c) The cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

*Provided that acquisition of shares or voting rights aggregating to five percent or more of the shares or voting rights in an unlisted company and any change in holding from the last disclosure made under this proviso exceeding two per cent of the total shareholding or voting rights in the said unlisted company shall be disclosed on a quarterly basis in the format as may be specified.*

Explanation (2) - For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-

- i. an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or
- ii. an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in sub-clause (c) of clause of sub-regulation (4) of regulation 30.

Explanation (3)- For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.

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. New Rating(s) or Revision in Rating(s).
4. **Outcome of Meetings of the board of directors:** The listed entity shall disclose to the Exchange(s), *the outcome of the meetings of the board of Directors* within 30 minutes of the closure of the meeting, held to consider the following: -
  - a) dividends 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 *including by way of issue of securities (excluding security receipts, securitized debt instruments or money market instruments regulated by the Reserve Bank of India), through further public offer, rights issue, American Depository Receipts/ Global Depository Receipts/ Foreign Currency Convertible Bonds, qualified institutions placement, debt issue, preferential issue or any other method.*

- 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 issues 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):

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.

5A Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:

Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

6. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad:

For the purpose of this sub-paragraph: -

(i) ‘Fraud’ shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

(ii) ‘Default’ shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity.

**Explanation 3** – *Fraud by senior management, other than who is promoter, director or key managerial personnel, shall be required to be disclosed only if it is in relation to the listed entity*

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.
- 7A In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor.
- 7B Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
  - i. The letter of resignation along with detailed reasons for the resignation as given by the said director.
    - ia. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
    - ii. The independent director shall, along with the detailed reasons, also provide confirmation that there is no other material reasons other than those provided.
    - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub- clauses (i) and (ii) above.
- 7C In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.
- 7D In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty- five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
8. Appointment or discontinuation of share transfer agent.
9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
  - (i) Decision to initiate resolution of loans/borrowings.

- (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
  - (iii) Finalization of Resolution Plan.
  - (iv) Implementation of Resolution Plan.
  - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
10. One-time settlement with a bank.
11. 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. (a)
- i. Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet).
  - ii. Presentations prepared by the listed entity for analysts or institutional investors meet, post earnings or quarterly calls shall be disclosed to the recognized stock exchanges prior to beginning of such events
- Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.
- Explanation II:** Disclosure of names in the schedule of analysts or institutional investors meet shall be optional for the listed entity.
- b. Audio recordings, video recordings, if any, and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means, in the following manner:
- (i) The audio recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
  - (ii) the video recordings, if any, shall be made available on the website within forty-eight hours from the conclusion of such calls.
  - (iii) The transcripts of such calls shall be made available on the website along with simultaneous submission to recognized stock exchanges within five working days of the conclusion of such calls.
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 an order passed by the Tribunal under section 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 the 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) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
    - i. Pre and Post net-worth of the company.
    - ii. Details of assets of the company post CIRP.
    - iii. Details of securities continuing to be imposed on the companies' assets.
    - iv. Other material liabilities imposed on the company.
    - v. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities.
    - vi. Details of funds infused in the company creditors paid-off;
    - vii. Additional liability on the incoming investors due to the transaction, source of such funding etc.
    - viii. Impact on the investor – revised P/E, RONW ratios etc.
    - ix. Names of the new promoters, 483[key managerial personnel], if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control.
    - x. Brief description of business strategy.
  - m) Any other material information not involving commercial secrets.
  - n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS.
  - o) Quarterly disclosure of the status of achieving the MPS.
  - p) The details as to the delisting plans, if any approved in the resolution plan.
17. Initiation of Forensic audit: In the case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:
- a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available.
  - b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.

**Explanation** – For the purpose of this sub-paragraph, forensic audit refers to the audits, by whatever name called, which are initiated with the objective of detecting any mis-statement in financial statements, mis-appropriation, siphoning or diversion of funds and does not include audit of matters such as product quality control practices, manufacturing practices, recruitment practices, supply chain process including procurement or other similar matters that would not require any revision to the financial statements disclosed by the listed entity.

18. Announcements or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.

Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

19. Action(s) initiated, or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:
- (a) search or seizure; or
  - (b) re-opening of accounts under section 130 of the Companies Act, 2013; or
  - (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013.
- along with the following details pertaining to the actions(s), taken or orders passed:
- i. name of the authority.
  - ii. nature and details of the action(s) taken, initiated or order(s) passed.
  - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority.
  - iv. details of the violation(s)/contravention(s) committed or alleged to be committed.
  - v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.
20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:
- (a) suspension.
  - (b) imposition of fine or penalty.
  - (c) settlement of proceedings.
  - (d) debarment.
  - (e) disqualification.
  - (f) closure of operations.
  - (g) sanctions imposed.
  - (h) warning or caution; or
  - (i) any other similar action(s) by whatever name called.
- along with the following details pertaining to the actions(s) initiated, taken or orders passed:
- i. name of the authority.
  - ii. nature and details of the action(s) taken, or order(s) passed.
  - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority.
  - iv. details of the violation(s)/contravention(s) committed or alleged to be committed.
  - v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.
- Explanation** – *Imposition of fine or penalty shall be disclosed in the following manner along with the details pertaining to the action(s) taken or orders passed as mentioned in the sub-paragraph: The disclosure of fine or penalty of rupees one lakh or more imposed by sectoral regulator or enforcement agency and fine or penalty of rupees ten lakhs or more imposed by other authority or judicial body shall be disclosed within twenty four hours.*
- disclosure of fine or penalty imposed which are lower than the monetary thresholds specified in the clause (i) above on a quarterly basis in the format as may be specified.*
21. Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.

**Annexure B**

**Events specified in Para B of Part A of Schedule III of the Listing Regulations**

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the listed entity:
  - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
  - (b) adoption of new line(s) of business; or
  - (c) closure of operation of any unit, division or subsidiary (in entirety or in 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) 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. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

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.

Annexure C

**Events required to be disclosed by Subsidiaries**

1. Acquisition (including agreement to acquire) of stake in another company.

Explanation – for the purpose of this clause, the word 'acquisition' shall mean-

- i. acquiring control, whether directly or indirectly; or
- ii. acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
  - a) the company holds shares or voting rights aggregating to Twenty 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) above and such change exceeds five per cent of the total shareholding or voting rights in the said company; or
  - c) The cost of acquisition or the price at which the shares are acquired exceeds the materiality thresholds specified in this policy.

2. Scheme of Arrangement (amalgamation, merger, demerger or restructuring).

3. Sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary.

Explanation (1) – For the purpose of this clause, “sale or disposal of subsidiary” shall include-

- i. an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a subsidiary; or
- ii. an agreement to sell or sale of shares or voting rights in a subsidiary such that the amount of the sale exceeds the materiality threshold specified in this policy.

Explanation (2) - For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.

4. Fraud or defaults by the Subsidiary
5. Action(s) initiated, or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Subsidiary, in relation to the Company, in respect of the following:
  - a. search or seizure; or
  - b. re-opening of accounts under section 130 of the Companies Act, 2013; or
  - c. investigation under the provisions of Chapter XIV of the Companies Act, 2013;
6. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Subsidiary, in relation to the Company, in respect of the following:
  - a. suspension.
  - b. imposition of fine or penalty.
  - c. settlement of proceedings.
  - d. debarment.
  - e. disqualification.
  - f. closure of operations.
  - g. sanctions imposed.
  - h. warning or caution; or
  - i. any other similar action(s) by whatever name called
7. Closure of any subsidiary
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact exceeding the materiality thresholds specified in this Policy.

**CIRCULAR**

**SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/25**

**February 25, 2025**

To,

**All listed entities**

**All the recognized Stock Exchanges**

**The Associated Chambers of Commerce and Industry of India (ASSOCHAM)**

**Federation of Indian Chambers of Commerce and Industry (FICCI)**

**Confederation of Indian Industry (CII)**

Dear Sir/Madam,

**Sub: Industry Standards on Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

1. In order to facilitate ease of doing business, the Industry Standards Forum (“ISF”) comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, has formulated industry standards, in consultation with SEBI, for effective implementation of the requirement to disclose material events or information under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”). The industry associations which are part of ISF ([ASSOCHAM](#), [FICCI](#), and [CII](#)) and the stock exchanges shall publish the industry standards note on their websites.
2. The listed entities shall follow the aforesaid industry standards to ensure compliance with Regulation 30 of LODR Regulations.
3. The Stock Exchanges are advised to bring the contents of this circular to the notice of their listed entities and ensure its compliance.
4. This circular is issued in exercise of the powers conferred under Section 11(1) and 11A of the Securities and Exchange Board of India Act, 1992 read with regulation 101 of LODR Regulations.

5. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category: 'Legal → Circulars'.

Yours faithfully,

**Raj Kumar Das**  
Deputy General Manager  
Corporation Finance Department  
Tel. No.: +91 22 2644 9253  
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## Industry Standards Note on Regulation 30 of the LODR Regulations

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### **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**”)<sup>1</sup>; 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.

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<sup>1</sup> Excluding Regulation 30(11) of the LODR Regulations.

7. Interpretation of “cumulative basis” (as referred in Master circular dated November 11, 2024<sup>2</sup> read with circular dated December 31, 2024<sup>3</sup> 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.

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<sup>2</sup> 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)

<sup>3</sup> 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.	<b>Capacity addition:</b> 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  <b>Product launch:</b> 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.

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**Annexure B**

**Part I - List of sector regulators in India**

<b>S. No.</b>	<b>Industry/Sector</b>	<b>Regulator(s)</b>
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 <ul style="list-style-type: none"> <li>• Water supply &amp; management</li> <li>• Waste management</li> <li>• Emergency services</li> <li>• Multi utilities</li> <li>• Other utilities</li> </ul>	-
55.	Diversified	-

**Part II – List of Enforcement Authorities**

- Enforcement Directorate and Central Bureau of Investigation.

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**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	

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