



## Policy on criteria for determining Materiality of events

### History of Revisions

Version	Summary of revisions	Date of approval
4.0	Review - Regulatory changes	17-Nov-23
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2.0	Annual Review	09-Nov-20
1.0	Policy Formulation	21-Nov-19

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## **1. Preamble**

### **1.1 Objective of the Policy**

The Policy is framed in accordance with the requirements of Regulation 30(4) (ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The objective of this Policy is to provide an overall governance framework to determine materiality of events, or information relating to the Bank and to ensure timely dissemination of such information to the Stock Exchange(s) in pursuance of the Regulations

### **1.2 Scope of the Policy**

- a. This Policy is effective from the date of listing of shares of the Bank with the stock exchanges.
- b. The Policy shall cover the criteria for determining Materiality of Events at Equitas Small Finance Bank Limited (ESFBL or "Bank")

### **1.3 Definitions**

- a. "Act" means the Companies Act, 2013 and the Rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof.
- b. "Bank" means Equitas Small Finance Bank Limited.
- c. "Board of Directors" or "Board" means the Board of Directors of the Bank, as constituted from time to time.
- d. "Compliance Officer" means the Company Secretary of the Bank;
- e. "Key Managerial Personnel" means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- f. "Listing Agreement" means an agreement entered or proposed to be entered into between a recognized Stock Exchange and the Bank pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended from time to time.
- g. "Mainstream Media" shall include print or electronic mode of the following:
  - i. Newspapers registered with the Registrar of Newspapers for India
  - ii. News channels permitted by Ministry of Information and Broadcasting under Government of India;
  - iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics code) Rules, 2021; and
  - iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;
- h. "Market Sensitive Information" means information concerning the Bank that a reasonable person would expect to have a material effect on the price or value of its securities or information which causes the market to maintain the price of security at or about its current level when it would otherwise be expected to move materially in a particular direction, given price movements in the market generally.
- i. "Material Event" or "Material Information" means such event or information as set out in the Schedule or as may be determined in terms of Clause 3 (i) and (ii) of the Policy. In the Policy, the words, "material" and "materiality" should be construed accordingly.

- j. "Material Subsidiary" means any subsidiary company of the Bank which is or has been determined as a material subsidiary as per the provisions of the LODR Regulations.
- k. "Net Worth" shall have the meaning assigned to it in Section 2(57) of the Act.
- l. "Policy" means this Policy on the criteria for determining Materiality of events or information , as amended from time to time.
- m. "Regulations/LODR/Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.
- n. "Schedule" means Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Any other term not defined herein should have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Regulations or any other applicable law or regulation to the extent applicable to the Bank.
- o. "Senior management" means the officers and personnel of the Bank who are members of its core management team, excluding the Board of Directors and shall also comprise all the members of the Management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
- p. "Stock Exchange(s)" means National Stock Exchange of India Limited (NSE) and BSE Limited ("BSE") or any other stock exchange where the securities of the Bank are listed.
- q. "Turnover" shall have the meaning assigned to it in Section 2(91) of the Act.

## **2. Regulatory Framework**

This policy is framed as per the requirement of SEBI regulations and applicable circulars issued in this regard from time to time. The hyperlinks for the latest regulation and circulars are given below.

1. [Securities And Exchange Board Of India \(Listing Obligations And Disclosure Requirements\) Regulations, 2015](#)
2. [Disclosure of material events / information by listed entities under Regulations 30 and 30A of Securities and Exchange Board of India \(Listing Obligations and Disclosure Requirements\) Regulations, 2015](#)

## **3.ESFB Policy framework**

### **(i) Key Principles in determining Materiality**

As per Clause 30 of the Regulations, the Bank is required to make disclosure of the following material events/ information to the Stock Exchanges:

- Events/ information which are considered material and ought to be disclosed in the opinion of the Board of Directors of the Bank.
- Events/ information specified in Para A of Part A of Schedule III of the Regulations that have to be necessarily disclosed without any application of the guidelines for Materiality

- Events/ information specified in Para B of Part A of Schedule III of the Regulations which are to be disclosed only if they meet the criteria of Materiality as specified under clause 30(4) of the Regulations.
- SEBI (LODR) Regulations 2015, Schedule III -PARA A & B items indicated in **Annexure**.

**(ii) Criteria for determination of materiality of events / information**

The Bank shall consider an event/ information as material if it meets any of the following criteria as specified in clause 30 (4) (i) of the Regulations which is enumerated herewith:

- a) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- b) The omission of an event or information is likely to result in significant stock market reaction if the said omission came to light at a later date; [or]
- 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 (2%) of turnover, as per the last audited consolidated financial statements of the Bank;
  - (2) two percent (2%) of net worth, as per the last audited consolidated financial statements of the Bank, except in case the arithmetic value of the net worth is negative;
  - (3) five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Bank.

*The average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.*

- d) In case where the criteria specified in sub-sections (a), (b) and (c) as referred above, is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the Bank, the event or information is considered material.

**(iii) Authorization for determining materiality of event /information and administration of disclosures thereof**

- a. Unless otherwise decided by the Board, any two KMPs acting jointly are authorized for the purpose of determining materiality of an event or information for disclosing it to the Stock Exchanges. Any decision taken by them will be valid and binding on the Bank.
- b. Further for administrative convenience, any one of the KMPs (of the Bank, can make disclosures to the Stock Exchanges.
- c. The contact details of all the KMPs are disclosed to the Stock Exchanges and also placed on the website of the Bank.
- d. The KMPs will take into consideration the factors surrounding the particular information to take a view on whether the information is market sensitive or not.

**(iv) Timelines for disclosure of material events/information**

The Bank shall first disclose to the Stock Exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

(i) 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;

(ii) Twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Bank;

(iii) Twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Bank:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines:

Provided further that in case the disclosure is made after the timelines specified under this regulation, the Bank shall, along with such disclosure provide the explanation for the delay.

**(v) Other Requirements**

a. The Bank shall, with respect to disclosures referred here make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

b. The Bank shall disclose on its website all such events or information which has been disclosed to Stock Exchange(s) under clause 30 of the Regulations and such disclosures shall be hosted on the website of the Bank for a minimum period of five years and thereafter as per the archival policy of the Bank.

c. The Bank shall disclose all events or information with respect to its Subsidiaries which are material.

d. The Bank shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information: Provided that the Stock Exchange(s) shall disseminate information and clarification as soon as reasonably practicable.

e. Effective from April 01, 2024, if the Bank falls within the top 250 listed entities determined on the basis of market capitalization by the Stock Exchanges as at the immediately preceding financial year, the Bank shall confirm, deny or clarify any reported event or information in the 'Mainstream media', which is not general in nature and indicates that rumours of an impending specific material event or information that are circulating amongst the investing public as soon as reasonably possible and not later than twenty four hours from the reporting of the event or information. The Bank shall also provide the current stage of such event or information on confirmation of such reported event or information by the Bank.

f. In case where an event occurs or information is available with the Bank, which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it, the Bank shall make adequate disclosures in regard thereof.

g. In case an event or information is required to be disclosed by the Bank in terms of the provisions of clause 30 of the Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Bank shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

h. If Shareholders, related parties, Directors, Key Managerial Personnel and employees of the Bank or of its holding, subsidiary and associate company enter into agreements as specified in clause 5A of para A of part A of schedule III to these regulations, they shall inform the Bank about the agreement to which the Bank is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. The Bank shall in turn disclose all such agreements to the Stock Exchanges and on its website within the timelines as specified by the Board and disclose the number of agreements and their salient features including the webpage link in the Annual report.

#### **4. Timing of an Event or Information and Communications**

The Bank may be confronted with the question as to when an event/information can be said to have occurred for making disclosures under Regulation 30 read with Schedule III of the LODR Regulations. In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required, viz. in case of natural calamities, disruptions, etc., the answer to the above question would depend upon the timing when the Bank became aware of the event/information.

In the former, the events/information can be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e., Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval. In case in-principle approval or approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under Regulation 30 of the LODR Regulations.

In the latter, the events/information can be said to have occurred when the Bank becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'Officer' shall have the same meaning as defined under the Companies Act, 2013.

#### **5. Interpretation**

In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Bank, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this Policy is amended to conform to the law, rule, regulation or standard.

#### **6. Periodicity of review of the Policy**

The Board will review this policy at periodic intervals and at such intervals as may be required on the regulatory and other exigencies.

<b>Author of the Policy</b>	<b>Secretarial</b>
<b>Reviewer of the Policy</b>	<b>Compliance</b>
<b>Name of Committee which recommended to the Policy Formulation Committee of the Board</b>	<b>Executive Policy Formulation Committee</b>
<b>Date of Board Approval</b>	<b>17-Nov-23</b>
<b>Date of Next Review</b>	<b>18 to 24 months</b>

## SCHEDULE III

### PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES

[See Regulation 30]

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

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

1. <sup>413</sup>[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-

- (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 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-paragraph and such change exceeds two 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.

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

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<sup>413</sup> Substituted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023. Prior to the substitution, the sub-paragraph read as follows:

*“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.”*



- (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 (i) 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. <sup>414</sup>[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), 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;
  - i) decision on voluntary delisting by the listed entity from stock exchange(s):  
<sup>415</sup>[Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.]
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.  
<sup>416</sup>[(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

<sup>414</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

<sup>415</sup> Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

<sup>416</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

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. <sup>417</sup>[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.]

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), <sup>418</sup>[senior management,] Auditor and Compliance Officer.

<sup>419</sup>[(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 <sup>420</sup>[independent director] including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from

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<sup>417</sup> Substituted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023. Prior to the substitution, the sub-paragraph read as follows:

*“6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.”*

<sup>418</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

<sup>419</sup> Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 1.4.2019.

<sup>420</sup> Substituted for “auditor” by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

- i. <sup>421</sup>[The letter of resignation along with] detailed reasons for the resignation <sup>422</sup>[\*\*\*] as given by the said director <sup>423</sup>[\*\*\*].  
<sup>424</sup>[(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 a 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 <sup>425</sup>[disclosures] as specified in sub-clause (i) <sup>426</sup>[and (ii)] above.]
- <sup>427</sup>[(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. <sup>428</sup>[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. <sup>429</sup>[\*\*\*] winding-up petition filed by any party / creditors.

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<sup>421</sup> Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

<sup>422</sup> The words “*of independent directors*” omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

<sup>423</sup> The words “*shall be disclosed by the listed entities to the stock exchanges*” omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

<sup>424</sup> Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

<sup>425</sup> Substituted for the words “*detailed reasons*” by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

<sup>426</sup> Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum, w.e.f. 1.1.2022.

<sup>427</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

<sup>428</sup> Substituted for “*Corporate debt restructuring*” by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021.

<sup>429</sup> The words “*reference to BIFR and*” omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

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.
- <sup>430</sup>[15 (a) Schedule of analysts or institutional investors meet <sup>431</sup>[at least two working days in advance (excluding the date of the intimation and the date of the meet)] and presentations made by the listed entity to analysts or institutional investors.  
Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.  
(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:
  - (i) the presentation and the audio/video 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 transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:

The requirement for disclosure(s) of audio/video recordings and transcript shall be voluntary with effect from April 01, 2021 and mandatory with effect from April 01, 2022.;

- <sup>432</sup> {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

<sup>430</sup> Substituted by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021. Prior to the substitution, clause 15 read as follows:

*"Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors."*

<sup>431</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

<sup>432</sup> Inserted by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, w.e.f. 31.05.2018.

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) <sup>433</sup>[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, <sup>434</sup>[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) <sup>435</sup>[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.]

<sup>436</sup>[17. Initiation of Forensic audit: In 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.]

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<sup>433</sup> Substituted by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2021 w.e.f. 08.01.2021. Prior to the substitution, the sub-clause read as under: -

*“Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;”*

<sup>434</sup> Substituted for the words “key managerial persons(s)” by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023, w.e.f. 17.1.2023.

<sup>435</sup> Inserted by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2021 w.e.f. 08.01.2021.

<sup>436</sup> Inserted by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2020, w.e.f. 08.10.2020

<sup>437</sup>[18. Announcement 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) initiated, 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, 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;

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<sup>437</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

- 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.

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.]

**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. <sup>438</sup>[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) <sup>439</sup>[\*\*\*] 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. <sup>440</sup>[ Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.]
9. <sup>441</sup>[ Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.]

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<sup>438</sup> Substituted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023. Prior to the substitution, the sub-paragraph read as follows:

*“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).”*

<sup>439</sup> The words and symbols “(as a borrower)” omitted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

<sup>440</sup> Substituted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023. Prior to the substitution, the sub-paragraph read as follows:

*“8. Litigation(s) / dispute(s) /regulatory action(s) with impact.”*

<sup>441</sup> Substituted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023. Prior to the substitution, the sub-paragraph read as follows:

10. Options to purchase securities including any ESOP/ESPS Scheme.
  11. Giving of guarantees or indemnity or becoming a surety <sup>442</sup>[, by whatever named called,] for any third party.
  12. Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.
  13. <sup>443</sup>[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.

**PART B: DISCLOSURE OF INFORMATION HAVING BEARING ON PERFORMANCE/OPERATION OF LISTED ENTITY AND/OR PRICE SENSITIVE INFORMATION: NON-CONVERTIBLE <sup>444</sup>[\*\*\*] SECURITIES <sup>445</sup>[\*\*\*]**  
**[See Regulation 51(2)]**

- A. The listed entity shall promptly inform <sup>446</sup>[\*\*\*] the stock exchange(s) of all information which shall have bearing on performance/operation of the listed entity or is price sensitive or shall affect payment of interest or dividend <sup>447</sup>[or redemption payment] of non-convertible <sup>448</sup>[\*\*\*] securities <sup>449</sup>[\*\*\*] including :

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*“9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.”*

<sup>442</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

<sup>443</sup> Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

<sup>444</sup> The word “**DEBT**” omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

<sup>445</sup> The symbol and words “**& NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES**” omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

<sup>446</sup> The word “to” omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

<sup>447</sup> Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

<sup>448</sup> The words “preference shares or redemption of non convertible debt” omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.

<sup>449</sup> The words “or redeemable preference shares” omitted by the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 w.e.f. 7.9.2021.