



**MAHANAGAR TELEPHONE NIGAM LIMITED**  
**(A GOVERNMENT OF INDIA ENTERPRISE)**

CIN L32101DL1986GOI023501

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**POLICY FOR DETERMINATION OF MATERIALITY OF  
EVENTS OR INFORMATION**

**UPDATED AS ON 13th FEBRUARY 2024**

## 1. Preface

The Policy is formulated in accordance with the Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") laid down by SEBI **and last updated on 23-10-2023**. The Board of Directors (the "**Board**") of Mahanagar Telephone Nigam Limited (the "**MTNL**") has adopted this Policy and procedures thereto with regard to Materiality of Events/Information to be disclosed to Stock Exchange(s) where MTNL's securities are listed.

The Audit Committee of the Board ("**ACB**") is empowered to review and recommend changes in this policy for from time to time. The policy **stands** approved by the Board on recommendation of ACB.

## 2. Objective

The objective of **this document is to frame a Policy as required under clause (ii) of sub regulation (4) of Regulation 30 of LODR Regulations** to determine the materiality of any event or information to make disclosure of such events or information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

## 3. Definitions

- (a) "**Act**" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (b) "**Archival Policy**" means the **Policy of MTNL on Archival of the disclosures made** under the Policy on website **after regulatory prescribed period**;
- (c) "**Specified Securities**" means equity shares and other securities listed with the Stock Exchange(s);
- (d) "**Designated Securities**" means specified securities, non-convertible debt securities, non-convertible redeemable preference shares, perpetual debt instrument, perpetual non-cumulative preference shares, Indian depository receipts, securitised debt instruments, security receipts units issued by mutual funds and any other securities as may be specified by the Board;
- (e) "**Key Managerial Personnel**" or "**KMP**" means –
  - (i) C.M.D.;
  - (ii) Whole-time Directors;
  - (iii) Company Secretary;

- (iv) Chief Financial Officer;
- (v) Such other officer/s as may be prescribed;

#### **4. Categories of Disclosure of Events/Information as per Regulation 30 of the Listing Regulations**

The Events/Information that are required to be disclosed by MTNL may be divided in the following categories:

- i. Events to be disclosed without application of the guidelines for determining materiality, as specified in Para A of Part A Schedule III of the Listing Regulations. The same have been enclosed as **Annexure - I**.
- ii. Tentative list of events **(to be reviewed annually for any addition or deletion by B.O.D.)** to be disclosed upon application of the guidelines for determining materiality, as specified in Para B of Part A of Schedule III of the Listing Regulations. The same have been enclosed as **Annexure - II**.
- iii. Any other events or information viz. major development that is likely to affect business, that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to MTNL which may be necessary to enable the holders of securities of MTNL to appraise its position and to avoid the establishment of a false market in such securities.
- iv. Without prejudice to the generality of the Clause i, ii & iii above; Events/Information specified by the SEBI from time to time **as well as considered as material and having a material impact on MTNL in the opinion of MTNL Board, irrespective of para B of Part A of Schedule-III of LODR Regulations or the thresholds prescribed for materiality**
- v. All events or information with respect to subsidiaries which are material for MTNL **as per regulations and MTNL policy on it.**
- vi. MTNL shall promptly inform the stock exchange(s) of all information having bearing on the performance/operation of MTNL, price sensitive information or any action that shall affect payment of interest or redemption of non convertible debt securities.

Explanation.- The expression 'promptly inform', shall imply that the stockexchange must be informed as soon as practically possible and without any delay and that the information shall be given first to the stock exchange(s) before providing the same to any third party **or any other authority.**

- vii. If MTNL has issued or is issuing non-convertible securities then MTNL shall make

disclosures as specified in Part B of Schedule III of the Listing Regulations. The same have been enclosed as Annexure III.

**viii. In case an event or information is required to be disclosed by the listed entity in terms of the provisions of this regulation, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the listed entity shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.**

Further, MTNL shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information. **MTNL shall also, suo moto, wherever it considers necessary, confirm or deny any reported event or information to stock exchanges.**

## **5. Guidelines for Determining Materiality of an Event/Information under Regulation 30(4) of the Listing Regulations**

MTNL shall consider the following criteria for determination of materiality of events or information:

### **Qualitative Criteria:**

- (i) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;

**and/or**

- (ii) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;

### **Quantitative Criteria:**

- (iii) 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

In case where the criteria specified in sub-clauses (i), (ii) and (iii) is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of MTNL, the event or information is considered material:

## **6. Criteria for Determining Materiality of an Event When an Event/Information has Occurred**

- a. In certain instances, it would depend upon the stage of discussion, negotiation or

approval. In that case, the events/information can be said to have occurred upon receipt of approval of the Board and/or upon the receipt of approval of both the Board and the Shareholders **and or any other authorities.**

However, for events where the price sensitivity factor is involved: e.g. – decision on declaration of dividends, sale of assets, **merger ,demerger or scheme of arrangement** etc., the disclosure shall be made on receipt of approval of the **decision or event** by the Board of Directors **and the consequential presidential approvals of Govt. and in principle approvals of any other prescribed authorities of Govt. Of India for any restructuring or carve outs** , pending Shareholders' approval **and all other formal procedures to implement the decisions.**

- b. In certain instances, where no such discussion, negotiation or approval is involved, the event/information can be said to have occurred when MTNL becomes aware of the event/information, or as soon as, an officer of MTNL has, or ought to have reasonably come into possession of the information in the course of the performance of the duties.

## **7. Persons Authorised for Determining the Materiality under Para B of Part A of Schedule III of the Listing Regulations**

**Functional Directors** and **Company Secretary** are jointly or severally authorised to determine materiality of an event/information **subject to approval of CMD.** Name & Contact details of such authorized personnel shall be disclosed to the stock exchange(s) and also to be made available on MTNL's website.

## **8. Persons Authorized for Making Disclosures to Stock Exchange(s)**

**Company Secretary** is authorised to make disclosures to stock exchange(s) under the LODR Regulations **as approved as per Para 7 above.** Name & Contact details of such authorized personnel **prescribed in Para 7 and the Company Secretary** shall be disclosed to the stock exchange(s) and also to be made available on MTNL's website.

## **9. Procedure for Disclosure**

In order to ensure that MTNL complies with the disclosure obligations under Regulations 30 of the Listing Regulations, an internal system to determine the materiality of an event or information is made.

Under the system, All Functional Directors/ED Delhi/ ED Mumbai/GM's of MTNL CO who are responsible for relevant areas of the MTNL's operations must report *immediately* either to the CMD or Company Secretary, **through the respective Functional Director** about occurrence of any event or information which in his opinion may require disclosure.

On receipt of communication of such event or information, the matter will be reviewed and assessed in regard to its accuracy and materiality of such event or information in terms of this policy. Where MTNL is not certain about materiality of event/information, it may refer the matter for the external legal advice *expeditiously*.

Once it is decided by the CMD that the event/information is material and requires disclosure, the following *procedure is to be followed for disclosure of the event / information*:

- i. **Prepare draft announcement to the Stock Exchanges:** Company Secretary on the basis of inputs received from functional Directors/EDs/GM's of MTNL CO **through functional Directors and in coordination with all concerned and on such event or information duly approved by CMD with reference to materiality** will prepare the draft announcement to be disclosed to the Stock Exchanges which is factual and expressed in clear manner and put up for the approval of CMD.
- ii. **Lodge Announcements:** The Company Secretary on behalf of MTNL will lodge or arrange for disclosure of the announcement after approval from the CMD to the concerned Stock Exchange(s).
- iii. **Post announcement on website:** After disclosure of the announcement, the Company Secretary will arrange to place it on the website of MTNL. All the announcements made under this Policy shall be kept on the website **for a period of 5 years as per LODR and thereafter will be archived** as per the Archival Policy of MTNL.

## 10. Timeline for Disclosures

MTNL shall make disclosure to Stock Exchange(s) of all material events/information, as soon as reasonably possible but *not later than twenty four hours* from the occurrence of event or information.

In case the disclosure is made after twenty four hours of occurrence of the event or information, **MTNL** shall, along with such disclosures provide explanation for delay.

Disclosures with respect to events specified in **sub-para 4** of Part A of Schedule III of the Listing Regulations shall be made **with reference to application of guidelines on materiality as provided in sub regulation 4 within the timelines specified there in sub regulation 6 of Regulation 30 of LODR Regulations. 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:** .

#### **11. Continuous Disclosures**

MTNL shall, with respect to disclosures of material events or information referred to in this policy, make disclosures updating material developments on a regular basis as per procedure for disclosure, till such time the event is resolved/closed, with relevant explanations.

#### **12. Disclosures on MTNL's Website**

MTNL shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of MTNL for a minimum period of five years and thereafter **archived** as per the archival policy of MTNL, as disclosed on its website.

#### **13. Policy Review**

Any change in the Policy shall be approved by the Board of Directors of MTNL. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

#### **14. Disclosures**

Copy of this policy duly approved and every amendment thereto shall be promptly **circulated through unit heads** to all the staff members and shall also be published on MTNL's official website.



## **ANNEXURE – I (SCHEDULE III OF SEBI (LODR) REGULATIONS 2015)**

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

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger 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 subclause (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-

- (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 subclause (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. 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).

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.
- 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.

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 (2) 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 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 disclosures as specified in sub-clause (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) 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) 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.

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
- d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- 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, 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) Approval of resolution plan by the Tribunal or rejection, if applicable;
- 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 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.

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;

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.

## ANNEXURE – II (SCHEDULE III OF SEBI (LODR) REGULATIONS 2015)

### **(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. 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)

Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).

3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the



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

10. Options to purchase securities including any ESOP/ESPS Scheme.

11. Giving of guarantees or indemnity or becoming a surety, 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-III

### DISCLOSURE OF INFORMATION HAVING BEARING ON PERFORMANCE/OPERATION OF LISTED ENTITY AND/OR PRICE SENSITIVE INFORMATION: NON-CONVERTIBLE SECURITIES

A. The listed entity shall promptly inform 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 [or redemption payment] of non-convertible securities including :

- (1) expected default in the timely payment of interest, dividend or redemption payment or both in respect of the non-convertible securities and also default in the creation of security for non-convertible debt securities as soon as the same becomes apparent;
- (2) any attachment or prohibitory orders restraining the listed entity from transferring non convertible securities from the account of the registered holders along with the particulars of the numbers of securities so affected , the names of the registered holders and their demat account details;
- (3) any action which shall result in the redemption, reduction, cancellation, retirement in whole or in part of any non-convertible securities;
- (4) any action that shall affect adversely payment of interest on non-convertible debt securities or payment of dividend on non-convertible redeemable preference shares including default by issuer to pay interest on non-convertible debt securities or redemption amount and failure to create a charge on the assets;
- (5) any change in the form or nature of any of its non-convertible 459[\*\*\*] securities that are listed on the stock exchange(s) or in the rights or privileges of the holders thereof and make an application for listing of the securities as changed, if the stock exchange(s) so require;
- (6) any changes in the general character or nature of business / activities, disruption of operation due to natural calamity, and commencement of commercial production / commercial operations;
- (7) any events such as strikes and lock outs. which have a bearing on the interest payment/ dividend payment / principal repayment capacity;
- (8) details of any letter or comments made by debenture trustees regarding payment/non-payment of interest on due dates, payment/non-payment of principal on the due dates or any other matter concerning the security, listed entity and /or the assets along with its comments thereon, if any;
- (9) delay/ default in payment of interest or dividend / principal amount /redemption for a period of more than three months from the due date;
- (10) failure to create charge on the assets within the stipulated time period;
- (11) any instance(s) of default/delay in timely repayment of interests or principal obligations or both in respect of the debt securities including, any proposal for rescheduling or postponement of the repayment programmes of the dues/debts of the listed entity with any investor(s)/lender(s).

- (12) any major change in composition of its board of directors, which may amount to change in control as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (13) any revision in the rating;
- (14) the following approvals by board of directors in their meeting:-
- (a) the decision to pass any interest payment;
  - (b) short particulars of any increase of capital whether by issue of bonus securities through capitalization, or by way of right securities to be offered to the debt security holders, or in any other way;
- (15) all information, report, notices, call letters, circulars, proceedings, etc concerning non-convertible debt securities;
- (16) The listed entity shall disclose the outcome of meetings of the board of directors to the Exchange(s), within thirty minutes of the closure of the meeting, held to consider the following:
- a) the decision with respect to fund raising proposed to be undertaken by way of non-convertible securities;
  - (b) financial results:
- 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
- (17) fraud/defaults by promoter or key managerial personnel or director or employees of listed entity or by listed entity or arrest of key managerial personnel or promoter;
- (18) change in directors, key managerial personnel Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc. Auditor and Compliance Officer;
- (19) 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;
- (20) 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.
- (21) One-time settlement with a bank;
- (22) Winding-up petition filed by any party / creditors;
- (23) Proceedings of Annual and extraordinary general meetings of the listed entity;
- (24) 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 the 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 the amount of default or rejection or withdrawal, as applicable;
  - d) Public announcement made pursuant to the 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 Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
  - f) Appointment/ Replacement of the Resolution Professional;
  - g) Prior or post-facto intimation of the meetings of Committee of Creditors;
  - h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A (5) of the Insolvency and Bankruptcy Board of India (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, key managerial persons(s), 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.
- (25) intimation related to any change in terms of issue or redemption or exercising of call/ put options;
- (26) intimation related to any change in covenants or breach of covenants under the terms of non-convertible debentures and/or non-convertible redeemable preference shares;
- (27) intimation related to forfeiture of unclaimed interest or dividend or principal amount;
- (28) intimation related to any change in the debenture trustee or Credit Rating Agency or

**Registrar and Share Transfer Agent;**

**(29) intimation of comfort/guarantee or any credit enhancement provided by the listed entity to a third party;**

**(30) any other information/change that:**

- (a) shall affect the rights and obligations of the holders of the non-convertible securities; and**
- (b) is not in the public domain but necessary to enable the holders of the nonconvertible securities to comprehend the true position and to avoid the creation of a false market in such listed securities.**