



**Consultation Paper on Review of disclosure requirements for material events or information under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**1. Objective**

- 1.1. To solicit public comments / views on streamlining the disclosure requirements for material events or information required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*hereinafter referred to as "LODR Regulations" or "LODR"*).

**2. Background and need for review**

- 2.1. Regulation 30 of LODR Regulations, requires listed entities to disclose material events or information to the stock exchanges.
- 2.2. The events specified in Para A of Part A of Schedule III of LODR Regulations (*hereinafter referred to as "Para A"*) are deemed to be material events which listed entities are required to disclose.
- 2.3. Events enumerated in Para B of Part A of Schedule III of LODR Regulations (*hereinafter referred to as "Para B"*) are required to be disclosed based on application of the guidelines for materiality, which the listed entities are required to frame (*hereinafter referred to as "Materiality Policy"*) based on the criteria specified in regulation 30(4) of LODR Regulations.
- 2.4. Annexure I to SEBI circular no. CIR/CFD/CMD/4/2015 dated September 09, 2015 on 'Continuous Disclosure Requirements for Listed Entities' (*hereinafter referred to as "the Circular"*) specifies the details which a listed entity needs to disclose for the events specified under Para A and Para B.
- 2.5. In the recent years, SEBI has been receiving many complaints / references regarding inadequate / inaccurate / misleading / delayed disclosures made by the listed entities. Listed entities from their end have also expressed that uniformity in the guidance to the listed entities is required for determining materiality of events or information. While the regulatory actions against non-disclosure of material events or information act as a deterrent, it cannot undermine the importance of ensuring timely disclosure of material events by all listed entities at all times.
- 2.6. It is also observed that while timelines have been specified under various provisions of the LODR for dissemination of information, there have been frequent non-compliances of such timelines by the listed entities thereby



inviting fines/penalties. Needless to emphasize here is that timely dissemination of information would help in reducing information asymmetry.

- 2.7. Many a times, the listed entities are also required to provide specific and adequate replies to all rumor verification queries raised to them by stock exchange(s) with respect to any event or information pertaining to them being circulated through rumours, social media, etc. The listed entities on their own initiative also should confirm or deny any reported event or information.
- 2.8. Given the aforesaid context, there arises a need to review various aspects of the disclosure requirements prescribed under the LODR Regulations. The amendments to the disclosure requirements proposed in this consultation paper aim to keep pace with the changing market dynamics. In today's digital age where information is readily available, it is expected that the listed entities adopt technology based solutions for ease of compliance.

### **3. Proposals**

#### **3.1. Guidelines for materiality for events specified under Para B:**

- 3.1.1. The events specified under Para B are required to be disclosed upon application of criteria of materiality as specified under regulation 30(4) of the LODR Regulations. It is observed that many entities do not disclose such events specified under Para B on the ground that they are not considered material by them as per their Materiality Policy framed in terms of the criteria prescribed in regulation 30(4) of LODR Regulations. Moreover, most entities are seen to be following a very generic Materiality Policy, simply reproducing therein merely the regulatory provisions under LODR Regulations, affording them a lot of discretion to decide as to whether or not to disclose an event specified under Para B.
- 3.1.2. It is, therefore, proposed to make the provision of regulation 30(4) of LODR Regulations more objective and non-discretionary by modifying the clause (i) of this regulation so as to insert therein a quantitative criteria of minimum threshold for disclosure of events specified under Para B based on the value or the expected quantitative impact of the event. This will also bring in uniformity in the Materiality Policy across listed entities.
- 3.1.3. A materiality threshold based just on an item of the statement of profit and loss or on an item of the balance sheet may not capture the impact of a material event. For example, a loan agreement for lending



will have a direct impact on a company's balance sheet. However, if there is a default, the impact shall be on the company's statement of profit and loss. Hence, there are interlinkages between the items of the two statements. Thus, as an optimal solution, a combination of turnover, net worth and profit/loss after tax is being considered for determining the materiality threshold.

3.1.4. Any impact of an event on the turnover will percolate to the profits and ultimately also the net worth. An impact on profits would usually directly correlate with the market price of the scrip of the company. Therefore, a lower annual threshold value of turnover and net worth is being considered.

3.1.5. While the company's bottom line may fluctuate due to cyclical nature of business, thus in order to determine the size of the profit or loss, on which the material event or information is expected to have an impact, it is proposed to take three-year average of absolute value of the company's profit/loss after tax on a standalone basis.

3.1.6. **Materiality Threshold:** Accordingly, it is proposed that the listed entities shall disclose an event or information specified under Para B whose threshold value or the expected impact in terms of value exceeds the lower of the following:

- a. two percent of turnover, as per the last audited standalone financial statements of the listed entity;
- b. two percent of net worth, as per the last audited standalone financial statements of the listed entity;
- c. five percent of three-year average of absolute value of profit/loss after tax, as per the last three audited standalone financial statements of the listed entity.

### 3.2. **Materiality Policy:**

3.2.1. Listed entities may provide additional quantitative threshold or criteria for determining materiality of events in their Materiality Policies. Such threshold or criteria shall be in addition to the criteria / threshold specified under clause (i) of regulation 30(4) of LODR Regulations.

3.2.2. There can be situation in a listed entity when a certain material event or information may originate at ground level to which the key



managerial personnel(s) (KMPs) authorized by the board of directors to determine the materiality of an event or information as per the Materiality Policy of the entity may not have immediate access to. This may lead to non-disclosure of the event on time even if the said event or information is material. In such a scenario, the Materiality Policy of the listed entity should be framed in a manner so as to assist its employees in easily identifying potential material event or information in an objective manner and reporting it to the relevant key managerial personnel for onward disclosure by the company.

3.2.3. To facilitate the above, it is proposed to specify the following under clause (ii) of regulation 30(4) of LODR Regulations:

- a. Materiality Policy of the listed entity shall not dilute any requirements specified under this regulation.
- b. Materiality Policy of the listed entity shall be framed in a manner so as to assist employees in identifying potential material event or information which shall be escalated and reported to the relevant Key Managerial Personnel for determining materiality of the event or information and for making disclosure to stock exchange(s).

### 3.3. Timeline for disclosure:

3.3.1. As per Regulation 30(6) of LODR Regulations, the timeline for disclosure of events or information is within twenty-four hours from the occurrence of the event or information. In present age of digital communication and widespread usage of social media, information permeates very fast. Hence, there is a need for ensuring quicker disclosure of material events or information by listed entities.

3.3.2. In certain instances, it was observed that the disclosure of an event by the listed entity was made at the last hour, by which time the information about the said event had already been circulated publicly in the media. At times, the information had to be disclosed by the listed entities only after queries were raised by stock exchanges based on media reports.

3.3.3. In order to address the above regulatory concerns, it is proposed that for the material events or information which emanate from the listed entity, the timeline for disclosure by the entity shall be reduced from twenty-four hours to twelve hours. The proposed timeline for



disclosure of events specified under Part A of Schedule III of LODR is placed as **Annex II**.

- 3.3.4. Additionally, in case of those events or information which emanate from a decision taken in a meeting of board of directors, the disclosure shall be made within 30 minutes from the closure of such meeting.
- 3.3.5. In case of those events for which specific timelines have already been provided under Part A of Schedule III of LODR, disclosure of those events would be required to be done as per the said specified timelines.

**3.4. Verification of market rumours:**

- 3.4.1. As per Regulation 30(11) of LODR Regulations, a listed entity may on its own initiative, confirm or deny any reported event or information to stock exchange(s).
- 3.4.2. Verification of reported events or information which may have material effect on the listed entity is essential to avoid establishment of a false market sentiment or impact on the securities of the entity. In the recent years, a growing influence is being noticed of not just print media, but also television and digital media. In order to stay contemporary, companies need to keep pace and ensure verification of such rumours.
- 3.4.3. Hence, in addition to the above mentioned general provision, a specific provision may be added thereunder mandating verification of such material events or information by top 250 listed entities to begin with.
- 3.4.4. Accordingly, it is proposed to add a proviso to regulation 30(11) as below:

*“Provided that top 250 listed entities shall necessarily confirm or deny any event or information reported in the mainstream media, whether in print or digital mode, which may have material effect on the listed entity under this regulation.*

*Explanation – The top 250 listed entities shall be determined on the basis of market capitalization, as at the end of the immediate previous financial year.”*



**3.5. Disclosure of communication from any regulatory, statutory, enforcement or judicial authority:**

3.5.1. Often, disclosures under regulation 30 of LODR Regulations are made by listed entities pursuant to receipt of a communication (notice, order, direction, etc.) from any regulatory, statutory, enforcement or judicial authority. As a best practice, many listed entities also disclose a copy of the said communication or its web link, if available. However, some companies use their discretion to their advantage and do not disclose such communication(s). Hence, for those companies such material information may not be available to the investors.

3.5.2. It is noted that some of these communications may contain confidential information or may have regulatory restriction on disclosure and hence, it may pose a challenge for some companies to make upfront disclosure of such communications. However, it is proposed that a provision may be added in Regulation 30 of LODR for enabling SEBI to come out with a guidance for disclosure of such communications.

3.6. The events specified under Para A and Para B were reviewed based on the suggestions / feedback received from the stock exchanges and the industry. In order to address the gaps identified, remove ambiguity and to enhance transparency and availability of information to the investors, it is proposed to include certain additional events and also to modify certain events specified under Para A and Para B.

**3.7. Events proposed to be added in Para A:**

3.7.1. Keeping track of all the announcements and communication made by the listed entity or its officials from time to time and through different media forums can be difficult and impractical for investors. It may give rise to information asymmetry despite the necessary announcement having been made by the listed entity at different forums. In general, such media announcements are made since they are considered significant from the perspective of the listed entity.

3.7.2. In view of the aforesaid, for the benefit of the investors, mandating disclosure of all such announcements and communication at one place will promote equal access to information to all the stakeholders. Hence, the following additional event is proposed to be added in Para A:



*“Announcement or communication to any form of mass communication media by directors or promoters or key managerial personnel or senior management of a listed entity, in relation to the listed entity, which is not already made available in the public domain by the listed entity.”*

3.7.3. Although disclosure of “regulatory action(s) with impact” is covered under sub-para 8 of para B, the Circular does not explicitly specify regulatory action(s) that need to be disclosed. Mandating such disclosures under Para A will provide necessary information to the investors. Accordingly, disclosure of the following is proposed to be added in Para A:

*“Action(s) taken or initiated by any regulatory, statutory, enforcement or judicial authority against the listed entity or its directors or key managerial personnel or senior management or promoter or subsidiary, in relation to the listed entity, towards the following: suspension; imposition of fine/penalty; settlement of proceedings; debarment; disqualification; closure of operations; sanctions imposed; warning or caution; search or seizure; inspection; investigation into affairs of the entity; and re-opening of accounts under section 130 of the Companies Act, 2013.”*

It is also proposed to specify disclosure of the following details along with the disclosure of the above mentioned event:

- i. *Name of the authority.*
- ii. *Nature and details of the action(s) taken or initiated.*
- 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) committed.*
- v. *Impact on financial, operational or other activities of the listed entity.*

3.7.4. Revision of financial statements or report of the board of directors of a listed entity is a material event which may impact investment decisions of the investors. Mandating such disclosure under Para A will provide necessary information to the investors. Hence, the following event is proposed to be added in Para A:



*“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.”*

- 3.7.5. At present, disclosure of letter of resignation, along with detailed reasons for the resignation, is mandated only in case of resignation of auditors and independent directors under sub-para 7A and 7B of Para A, respectively. Additionally, reasons for resignation of key managerial personnel, senior management and directors other than independent director is also material information for investors. Hence, the following event is proposed to be added as sub-para 7C in Para A:

*“In case of resignation of a key managerial personnel or a senior management or a director other than independent director, the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel or the senior management or the director shall be disclosed to the stock exchanges by the listed entities within seven days from the date of resignation.”*

- 3.7.6. The MD / CEO of a company has significant roles and responsibilities in the management of the company who also instils confidence among the investors and other stakeholders regarding proper functioning of the company. In case the MD / CEO is not available to perform his roles and responsibilities for a long period of more than a month, the same should be disclosed to the investors. Hence, the following event is proposed to be added as sub-para 7D in Para A:

*“The Managing Director or the Chief Executive Officer of the listed entity is indisposed or unavailable to fulfil requirements of his/her role in a regular and consistent manner for more than one month.”*

### **3.8. Events proposed to be modified in Para A:**

- 3.8.1. At present, listed entity acquiring control, or five percent or more of the shares or voting rights in a company is required to be disclosed under sub-para 1 of Para A. However, there may be a situation where a listed entity acquires shares in a company without effecting any change in its shareholding in the company. This may occur due to equal investment in the company by all the shareholders of the company. Such an acquisition may however need to be treated as material event if the cost of acquisition exceeds the materiality threshold as given in para 3.1.6 above.



Hence, the said minimum threshold is proposed to be added in the explanation of 'acquisition' under sub-para 1 of Para A. Further, it may be clarified that acquisition can be in an existing company or in a newly incorporated company as well.

3.8.2. At present, sub-para 1 of Para A requires disclosure of sale or disposal of any unit(s), division(s) or subsidiary of a listed entity. Since sale of stake in an associate company or sale or disposal of an undertaking of the listed entity are also material information for the investors, it is proposed to add disclosure of sale of stake in an associate company and sale or disposal of the whole or substantially the whole of an undertaking(s)<sup>1</sup> of the listed entity by modifying sub-para 1 of Para A.

3.8.3. No explanation is provided for 'sale' or 'disposal' under sub-para 1 of Para A, especially with respect to subsidiaries or associate companies, which creates an ambiguity. Since any additional two percent acquisition of shares or voting rights in any company requires disclosure under sub-para 1 of Para A, the same threshold is proposed for selling of shares or voting rights of the subsidiary or associate company. Accordingly, the following explanation is proposed to be added in sub-para 1 of Para A:

*"sale or disposal of subsidiary" and "sale of stake in associate company" shall include –*

- (i) ceasing control in the subsidiary; or,*
- (ii) sale or agreeing to sell more than two per cent of shares or voting rights in the subsidiary or associate company."*

3.8.4. It is noted that an *inter-se* transfer of the shares or voting rights in a subsidiary or an associate company between the listed entity and any of its wholly owned subsidiary(ies) may not result in any change in the ultimate ownership of the shares or voting rights of the listed entity.

Comments are invited on whether such *inter-se* transfer of shares may be exempted from disclosure under sub-para 1 of Para A.

3.8.5. The Circular specifies disclosure of both revision in ratings as well as new ratings. Hence, sub-para 3 of Para A which currently states 'Revision in Rating(s)' may be modified as 'New rating(s) or revision in rating(s)' to remove ambiguity.

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<sup>1</sup> As defined under Section 180 of the Companies Act, 2013.



3.8.6. Credit rating agencies disclose on their websites, ratings or revision in ratings provided by them even if the same was not requested for by the listed entity or the request was later withdrawn. Hence, the disclosure of the same by the listed entity may be mandated to avoid information asymmetry. It is, therefore, proposed to add the following in the Circular for disclosure under sub-para 3 of Para A:

*“The disclosure of rating or revision in rating shall be made even if it was not requested for by the listed entity or the request was withdrawn by the listed entity.”*

3.8.7. At present, disclosure of fraud/defaults by listed entity or its key managerial personnel or promoter, and arrest of key managerial personnel or promoter are mandated under sub-para 6 of Para A. Additionally, fraud/defaults by director or senior management of the listed entity, fraud/defaults by subsidiary of the listed entity, and arrest of director or senior management of the listed entity are also material information for investors. Hence, sub-para 6 of Para A may be modified to include the following:

- i. *fraud/defaults by director of the listed entity* (moved from sub-para 9 of Para B).
- ii. *fraud/defaults by senior management of the listed entity.*
- iii. *fraud/defaults by subsidiary of the listed entity.*
- iv. *arrest of director or senior management of the listed entity.*

3.8.8. In order to remove ambiguity, an explanation of the term ‘default’ may be added in sub-para 6 of Para A as defined in SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated November 21, 2019. It may also be clarified that fraud/default/arrest is required to be disclosed whether it has happened in India or abroad.

3.8.9. At present, disclosure of change in directors, key managerial personnel, auditor and compliance officer are mandated under sub-para 7 of Para A. However, change in senior management is not mandated to be disclosed. Given that details of senior management are required to be disclosed at the time of filing of public offer documents, change in such senior management is a material information for investors. Hence, sub-para 7 of Para A may be modified to mandate disclosure in case of change in senior management.



3.8.10. In sub-para 11 of Para A, disclosure regarding reference to Board for Industrial and Financial Reconstruction (BIFR) may be removed since the same is no longer in existence. Disclosure of events in relation to the corporate insolvency resolution process (CIRP) has already been specified under sub-para 16 of Para A.

3.8.11. Sub-para 15 of Para A requires disclosure of schedule of analysts or institutional investors' meet. This disclosure is required to be made prior to the investors' meet. However, no timeline has been specified for making such disclosures which creates ambiguity and also does not provide enough time to the investors to register or attend such meets.

Hence, it is proposed to specify that the schedule of such meets should be disclosed at least two working days in advance (excluding the date of the intimation and the date of the meet).

### 3.9. Events proposed be added in Para B:

3.9.1. Delay or default in payment of fines, penalties, dues, etc., if material, may impact operations and/or performance of the entity. Hence, the following event is proposed to be added in Para B:

*“Delay or default in payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.”*

### 3.10. Events proposed to be modified in Para B:

3.10.1. Sub-para 2 of Para B requires disclosure of material tie-ups, adoption of new line(s) of business and closure of operations. However, the above events are required to be disclosed by a listed entity only if they bring change in its general character or nature of business of the listed entity. This limitation may be removed since the events may be material even if they don't change the general character or nature of business.

Additionally, closure of operation of any subsidiary of the listed entity having material impact on the operations or performance of the entity is also significant event requiring disclosure. In view of the aforesaid, sub-para 2 of Para B is proposed to be modified as below:

*“Any of the following events pertaining to the listed entity:*



- (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
- (ii) adoption of new line(s) of business; or
- (iii) closure of operation of any unit/division/subsidiary (entirety or piecemeal)”

3.10.2. Sub-para 5 of Para B requires disclosure of material loan agreements in which the listed entity is a borrower which are binding and not in normal course of business. However, material loan agreements in which the listed entity is a lender should also be disclosed to provide such information to the investors.

Hence, it is proposed to remove the term ‘as a borrower’ in reference to loan agreements in sub-para 5 of Para B in order to mandate disclosure of all material loan agreement(s), which are binding and not in normal course of business, entered into by the listed entity *either as a lender or as a borrower*. It may be clarified that disclosure of loan agreement for lending shall not be applicable to a listed entity which is a bank or a non-banking financial company.

3.10.3. It is noted here that loan agreement(s) for lending to wholly owned subsidiaries of the listed entity may not be material and would usually be in normal course of business.

Comments are invited on whether such loan agreement(s) for lending to wholly owned subsidiaries may be exempted from disclosure under sub-para 5 of Para B.

3.10.4. At present, material litigations or disputes where the listed entity, or its key managerial personnel, or promoter, or ultimate person in control becomes a party are required to be disclosed as specified in the Circular for disclosure under sub-para 8 of Para A. Additionally, information pertaining to material litigations or disputes where the subsidiary or director of the listed entity becomes a party is also material information for investors.

Accordingly, the Circular may be modified to include instances where any subsidiary or director of the listed entity becomes party to any litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings.

3.10.5. Sub-para 11 of Para B requires disclosure when the listed entity gives guarantees, indemnity or becomes a surety for any third party.



The rationale of this disclosure is to inform investors about the material financial obligations on the listed entity for any third party. In order to cover all such obligations, it is proposed to add in the sub-para, the words “by whatever name called” in reference to the guarantees, indemnity, or surety, which are required to be disclosed.

**3.11. Disclosure of cyber security incidents or breaches and loss of data / documents:**

3.11.1. With the advancements in technology and the companies adopting such newer technologies, cyber security incidents or breaches and loss of data / documents have become a major concern. Such incidents may impact the operations and/or performance of the listed entity. Disclosure of such events are necessary for investors to understand the associated risks and impact.

3.11.2. However, immediate disclosure of such events may not be desired since the entity may be vulnerable to further attacks. Hence, the disclosure with root cause analysis and remedial measures taken, etc. may be mandated under the quarterly compliance report on corporate governance required to be submitted by listed entities under regulation 27 of LODR Regulations (*hereinafter referred to as “CG Report”*). The format for the quarterly CG Report has been specified in Annex I to the SEBI Circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/567 dated May 31, 2021.

3.11.3. In view of the above, it is proposed that the listed entities may be required to make disclosures in relation to “cyber security incident”<sup>2</sup> or “cyber security breaches”<sup>2</sup> or loss of data / documents of the listed entity in the quarterly CG Report in the format given below:

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<sup>2</sup> As defined in Information Technology (The Indian Computer Emergency Response Team and Manner of Performing Function and Duties) Rules, 2013.



**Table I: Details of cyber security incident / cyber security breach / loss of data or documents of the listed entity**

S. No.	Nature of the event (cyber security incident / cyber security breach / loss of data or documents)	Date of the event	Brief of the event	Impact on the operations of the listed entity	Corrective action taken	Compliance with the guidelines of CERT-In or other concerned authority

3.12. The above-stated proposed amendments to LODR Regulations, the Circular and the quarterly CG Report are placed at **Annex I**. Proposed timeline for disclosure of events specified under Part A of Schedule III of LODR Regulations are placed as **Annex II**.

#### **4. Public Comments**

4.1. In order to take into consideration, the views of various stakeholders, public comments are invited on the following:

4.1.1. the proposed amendments to the LODR Regulations, the Circular and the CG Report as detailed at **Annex I**.

4.1.2. the comments sought at para 3.8.4 and 3.10.3 above.

4.1.3. the proposed timeline for disclosure of events specified under Part A of Schedule III of LODR Regulations given at **Annex II**.

4.2. Comments may be sent by email to [consultationcf@sebi.gov.in](mailto:consultationcf@sebi.gov.in) no later than **November 27, 2022**. While sending the email, kindly mention the subject as “**Comments on consultation paper on review of disclosure requirements for material events or information under LODR Regulations**”.

4.3. The comments should be sent by email in MS Excel file in the following format only: [link to download the format](#).



**Proposed amendments to the LODR Regulations, the Circular and the quarterly CG Report**

Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
Clause (i) of sub-regulation 30(4) of LODR Regulations	<p>(i) The listed entity shall consider the following criteria for determination of materiality of events/ information:</p> <p>(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</p> <p>(b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;</p> <p>(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.</p>	<p>(i) The listed entity shall consider the following criteria for determination of materiality of events/ information:</p> <p>(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</p> <p>(b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; <b>or</b></p> <p><b>(c) the omission of an event or information, whose value or the expected impact in terms of value exceeds the lower of the following:</b></p> <p><b>(1) two percent of turnover, as per the last audited standalone financial statements of the listed entity;</b></p> <p><b>(2) two percent of net worth, as per the last audited standalone financial statements of the listed entity;</b></p>



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
		<p>(3) five percent of three-year average of absolute value of profit/loss after tax, as per the last three audited standalone financial statements of the listed entity;</p> <p><del>(c)</del>(d) In case where the criteria specified in sub-clauses (a), <del>and</del> (b) and (c) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.</p>
Clause (ii) of sub-regulation 30(4) of LODR Regulations	The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.	The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.  <b>Provided that such policy for determination of materiality shall not dilute any requirements specified under this regulation.</b>  <b>Provided further that such policy for determination of materiality shall be framed in a manner to assist employees in identifying potential material event or information which shall be escalated and reported</b>



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
		<b>to the relevant Key Managerial Personnel for determining materiality of the event or information and for making disclosure to stock exchange(s).</b>
Sub-regulation 30(6) of LODR Regulations	<p>The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information:</p> <p>Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay:</p> <p>Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within the timelines specified therein.</p>	<p>The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and <del>not later than twenty four hours from the occurrence of event or information</del> <b>within the timelines specified below:</b></p> <p><b>(i) not later than twenty four hours from the occurrence of event or information, in case of those events or information which do not emanate from within the listed entity;</b></p> <p><b>(ii) not later than twelve hours from the occurrence of event or information, in case of those events or information which emanate from within the listed entity;</b></p> <p><b>(iii) within 30 minutes from the closure of the meeting of board of directors in which the decision pertaining to the event or information has been taken;</b></p> <p>Provided that in case the disclosure is made after <del>twenty four hours of occurrence of the event or information</del> <b>the</b></p>



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
		<p><b>timelines specified under this regulation</b>, the listed entity shall, along with such disclosures provide explanation for delay.</p> <p>Provided further that disclosure with respect to events specified in <del>sub-para 4 of Para A of Part A of Schedule III</del> <b>for which timelines have been specified therein</b> shall be made within <del>the</del> <b>such timelines specified therein</b>.</p>
Sub-regulation 30(11) of LODR Regulations	The listed entity may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).	<p>The listed entity may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).</p> <p><b>Provided that the top 250 listed entities shall necessarily confirm or deny any event or information reported in mainstream media, whether in print or digital mode, which may have material effect on the listed entity under this regulation.</b></p> <p><b>Explanation – The top 250 listed entities shall be determined on the basis of market capitalization, as at the end of the immediate previous financial year.</b></p>
Insertion of new sub-regulation 30(13) in LODR Regulations	-	<p><b>In case disclosure of any event or information is made by the listed entity pursuant to receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the disclosure of such communication shall be made by the listed entity in the</b></p>



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## Securities and Exchange Board of India

Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
		<b>form and manner as specified by the Board.</b>
Sub-para 1 of para A	<p>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.</p> <p>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.</p>	<p>Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s), <b>the whole or substantially the whole of the undertaking(s)</b>, or subsidiary, <b>or sale of stake in associate company</b> of the listed entity or any other restructuring.</p> <p>Explanation <b>(1)</b> - 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, <b>whether existing or newly incorporated</b>, 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; <b>or,</b> <b>(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold given in sub-clause (c) of clause (i) of sub-</b></p>



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
		regulation (4) of regulation 30.  Explanation (2) - For the purpose of this sub-para, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include – (i) ceasing control in the subsidiary; or, (ii) sale or agreeing to sell more than two per cent of shares or voting rights in the subsidiary or associate company.
Sub-para 3 of Para A	Revision in Rating(s)	<b>New Rating(s)</b> or Revision in Rating(s)
Sub-para 3 of Para A of Annexure I to the Circular	Revision in Rating(s):  The listed entity shall notify the stock exchange(s), the details of any new rating or revision in rating assigned from a credit rating agency to any debt instrument of the listed entity or to any fixed deposit programme or to any scheme or proposal of the listed entity involving mobilization of funds whether in India or abroad. In case of a downward revision in ratings, the listed entity shall also intimate the reasons provided by the rating agency for such downward revision.	<b>New Rating(s)</b> or Revision in Rating(s):  The listed entity shall notify the stock exchange(s), the details of any new rating or revision in rating assigned from a credit rating agency to any debt instrument of the listed entity or to any fixed deposit programme or to any scheme or proposal of the listed entity involving mobilization of funds whether in India or abroad. In case of a downward revision in ratings, the listed entity shall also intimate the reasons provided by the rating agency for such downward revision. <b>The disclosure of rating or revision in rating shall be made even if it was not requested for by the listed entity or the request was withdrawn by the listed entity.</b>
Sub-para 6 of Para A	Fraud/default by promoter or key managerial personnel or by listed entity or arrest of key	Fraud/default by listed entity or its promoter or <b>director</b> or key managerial personnel or <b>senior</b>



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
	managerial personnel or promoter.	<b>management or subsidiary</b> , or arrest of key managerial personnel or <b>senior management</b> or promoter or <b>director</b> .  <b>Explanation (1) - 'Default'</b> shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable ('pre-agreed payment date'). Provided that for 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 30 days.  <b>Explanation (2) - Disclosure of fraud / default / arrest is required whether it has happened in India or abroad.</b>
Sub-para 7 of Para A	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), <b>senior management</b> , Auditor and Compliance Officer.
Insertion of new sub-para 7C in Para A	-	<b>In case of resignation of a key managerial personnel or a senior management or a director other than independent director, the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel or the</b>



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## Securities and Exchange Board of India

Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
		senior management or the director shall be disclosed to the stock exchanges by the listed entities within seven days from the date of resignation.
Insertion of new sub-para 7D in Para A	-	The Managing Director or the Chief Executive Officer of the listed entity is indisposed or unavailable to fulfil requirements of his/her role in a regular and consistent manner for more than one month.
Sub-para 11 of Para A	Reference to BIFR and winding-up petition filed by any party / creditors	<del>Reference to BIFR and</del> Winding-up petition filed by any party / creditors
Clause (a) of sub-para 15 of Para A	Schedule of analysts or institutional investors 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.	Schedule of analysts or institutional investors meet, <b>at least two working days in advance (excluding the date of the intimation and the date of the meet)</b> , 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.
Insertion of new sub-para 18 in Para A	-	<b>Announcement or communication to any form of mass communication media by directors or promoters or key managerial personnel or senior management of a listed entity, in relation to the listed entity, which is not already made available in the public domain by the listed entity.</b>



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
Insertion of new sub-para 19 in Para A	-	<p>Action(s) taken or initiated by any regulatory, statutory, enforcement or judicial authority against the listed entity or its directors or key managerial personnel or senior management or promoter or subsidiary, in relation to the listed entity, towards the following: suspension; imposition of fine/penalty; settlement of proceedings; debarment; disqualification; closure of operations; sanctions imposed; warning or caution; search or seizure; inspection; investigation into affairs of the entity; and re-opening of accounts under section 130 of the Companies Act, 2013.</p> <p>The following details shall also be disclosed along with the disclosure of the above mentioned event:</p> <ol style="list-style-type: none"><li>Name of the authority.</li><li>Nature and details of the action(s) taken or initiated.</li><li>Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority.</li><li>Details of the violation(s) committed.</li><li>Impact on financial, operational or other activities of the listed entity.</li></ol>
Insertion of new Sub-para 20 in	-	Voluntary revision of financial statements or the report of the



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
Para A		<b>board of directors of the listed entity under section 131 of the Companies Act, 2013.</b>
Sub-para 2 of Para B	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).	<del>Change in the general character or nature of business brought about by</del> <b>Any of the following events pertaining to the listed entity:</b>  <b>(i)</b> arrangements for strategic, technical, manufacturing, or marketing tie-up; or <b>(ii)</b> adoption of new line(s) of business; or <b>(iii)</b> closure of operation of any unit/division/ <b>subsidiary</b> (entirety or piecemeal)
Sub-para 5 of Para B	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.	Agreements (viz. loan agreement(s) <del>(as a borrower)</del> 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.  <b>Explanation – Disclosure of loan agreement for lending shall not be applicable to a listed entity which is a bank or a non-banking financial company.</b>
Sub-para 8 of Para B	Litigation(s) / dispute(s) / regulatory action(s) with impact	Litigation(s) / dispute(s) / <del>regulatory action(s)</del> -with impact
Sub-para 8 of Para B of Annexure I to the Circular	Litigation(s) / dispute(s) / regulatory action(s) with impact:  The listed entity shall notify the stock exchange(s) upon it or its key management personnel or its promoter or ultimate person in control becoming party to any	Litigation(s) / dispute(s) / <del>regulatory action(s)</del> with impact:  The listed entity shall notify the stock exchange(s) upon it or its <b>subsidiary or director or</b> key management personnel or its promoter or ultimate person in



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Sub-regulation / Sub-Para / Clause	Current Provisions	Proposed amendments
	litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings or upon institution of any litigation, assessment, adjudication, arbitration or dispute including any ad-interim or interim orders passed against or in favour of the listed entity, the outcome of which can reasonably be expected to have an impact.	control becoming party to any litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings or upon institution of any litigation, assessment, adjudication, arbitration or dispute including any ad-interim or interim orders passed against or in favour of the listed entity, the outcome of which can reasonably be expected to have an impact.
Sub-para 9 of Para B	Fraud/default etc. by directors (other than key managerial personnel) or employees of listed entity.	Fraud/default etc. by directors <del>(other than key managerial personnel)</del> or employees of listed entity.
Sub-para 11 of Para B	Giving of guarantees or indemnity or becoming a surety for any third party.	Giving of guarantees or indemnity or becoming a surety, <b>by whatever name called</b> , for any third party.
Insertion of new Sub-para 13 in Para B	-	<b>Delay or default in payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.</b>
Insertion of new table in the quarterly CG Report	-	<b>Disclosures in relation to “cyber security incident” or “cyber security breaches” or loss of data / documents of the listed entity in the quarterly CG Report in the format specified in Table I above.</b>



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Annex II

Proposed timeline for disclosure of events specified under Part A of Schedule III of LODR Regulations

Para / sub-para	Events	Proposed Timeline for disclosure
A.	<b>Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):</b>	
1.	<p>Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s), <b>the whole or substantially the whole of the undertaking</b>, or subsidiary, <b>or sale of the stake in associate company</b> of the listed entity or any other restructuring.</p> <p>Explanation (1) - For the purpose of this sub-para, the word 'acquisition' shall mean,-</p> <p>(i) acquiring control, whether directly or indirectly; or,</p> <p>(ii) acquiring or agreeing to acquire shares or voting rights in, a company, <b>whether existing or newly incorporated</b>, whether directly or indirectly, such that -</p> <p>(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;</p> <p>(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; or,</p> <p>(c) <b>the cost of acquisition exceeds the threshold given in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.</b></p> <p>Explanation (2) - For the purpose of this sub-para, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include:</p> <p>(i) ceasing control in the subsidiary; or,</p>	<b>Within 12 hours</b>



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Para / sub-para	Events	Proposed Timeline for disclosure
	<b>(ii) sale or agreeing to sell more than two per cent of shares or voting rights in the subsidiary or associate company.</b>	
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.	<b>Within 12 hours</b>
3.	<b>New Ratings(s) or</b> Revision in Rating(s).	Within 24 hours
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.	Timeline is already specified in the sub-para: within 30 minutes of the closure of the meeting.
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),	<b>Within 12 hours (for agreements</b>



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Para / sub-para	Events	Proposed Timeline for disclosure
	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.	<b>where listed entity is a party).</b> Within 24 hours (for agreements where listed entity is not a party).
6.	Fraud/default(s) by promoter or <b>director</b> or key managerial personnel or <b>senior management</b> or <b>subsidiary</b> or by listed entity or arrest of key managerial personnel or <b>senior management</b> or promoter or <b>director</b> .  <b>Explanation (1) - 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable ('pre-agreed payment date').</b> <b>Provided that for 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 30 days.</b>  <b>Explanation (2) - Disclosure of fraud / default / arrest is required whether it has happened in India or abroad.</b>	Within 24 hours
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), <b>senior management</b> , Auditor and Compliance Officer.	<b>Within 12 hours (except in case resignation).</b> Within 24 hours (in case of resignation)
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.	Within 24 hours



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Para / sub-para	Events	Proposed Timeline for disclosure
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	Timeline is already specified in the sub-para: within seven days from the date of resignation.
7C.	<b>In case of resignation of a key managerial personnel or a senior management or a director other than independent director, the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel or the senior management or the director shall be disclosed to the stock exchanges by the listed entities within seven days from the date of resignation.</b>	Timeline is already specified in the sub-para: within seven days from the date of resignation.
7D.	<b>The Managing Director or the Chief Executive Officer of the listed entity is indisposed or unavailable to fulfil requirements of his/her role in a regular and consistent manner for more than one month.</b>	<b>Within 12 hours</b>
8.	Appointment or discontinuation of share transfer agent.	<b>Within 12 hours</b>
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;	Within 24 hours



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Para / sub-para	Events	Proposed Timeline for disclosure
	(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.	Within 24 hours
11.	<del>Reference to BIFR and</del> Winding-up petition filed by any party / creditors	Within 24 hours
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.	<b>Within 12 hours</b>
13.	Proceedings of Annual and extraordinary general meetings of the listed entity.	Within 24 hours
14.	Amendments to memorandum and articles of association of listed entity, in brief.	<b>Within 12 hours</b>
15.	(a) Schedule of analysts or institutional investors meet, <b>at least two working days in advance (excluding the date of the intimation and the date of the meet)</b> , 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.	Timelines are already specified in the sub-para.
16.	The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:	Within 24 hours



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Para / sub-para	Events	Proposed Timeline for disclosure
	<ul style="list-style-type: none"><li>(a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;</li><li>(b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;</li><li>(c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;</li><li>(d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;</li><li>(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;</li><li>(f) Appointment/ Replacement of the Resolution Professional;</li><li>(g) Prior or post-facto intimation of the meetings of Committee of Creditors;</li><li>(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;</li><li>(i) Number of resolution plans received by Resolution Professional;</li><li>(j) Filing of resolution plan with the Tribunal;</li><li>(k) Approval of resolution plan by the Tribunal or rejection, if applicable;</li><li>(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:<ul style="list-style-type: none"><li>(i) Pre and Post net-worth of the company;</li><li>(ii) Details of assets of the company post CIRP;</li><li>(iii) Details of securities continuing to be imposed on the companies' assets;</li><li>(iv) Other material liabilities imposed on the company;</li><li>(v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;</li></ul></li></ul>	



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Para / sub-para	Events	Proposed Timeline for disclosure
	<p>(vi) Details of funds infused in the company, creditors paid-off;</p> <p>(vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;</p> <p>(viii) Impact on the investor - revised P/E, RONW ratios etc.;</p> <p>(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;</p> <p>(x) Brief description of business strategy</p> <p>(m) Any other material information not involving commercial secrets.}</p> <p>(n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;</p> <p>(o) Quarterly disclosure of the status of achieving the MPS;</p> <p>(p) The details as to the delisting plans, if any approved in the resolution plan</p>	
17.	<p>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:</p> <p>(a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;</p> <p>(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.</p>	<p><b>Within 12 hours (if initiated by the listed entity).</b> Within 24 hours (if initiated by external agency).</p>
18.	<p><b>Announcement or communication to any form of mass communication media by directors or promoters or key managerial personnel or senior management of a listed entity, in relation to the listed entity, which is not already made available in the public domain by the listed entity.</b></p>	<p><b>Within 12 hours</b></p>
19.	<p><b>Action(s) taken or initiated by any regulatory, statutory, enforcement or judicial authority against the listed entity or its directors or key managerial personnel or senior management or promoter or subsidiary, in relation to the listed entity, towards the following: suspension; imposition of fine/penalty; settlement of proceedings; debarment; disqualification; closure of operations; sanctions imposed; warning or caution; search or seizure; inspection; investigation into affairs of</b></p>	<p>Within 24 hours</p>



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Para / sub-para	Events	Proposed Timeline for disclosure
	<p>the entity; and re-opening of accounts under section 130 of the Companies Act, 2013. The following details shall also be disclosed along with the disclosure of the above mentioned event:</p> <ul style="list-style-type: none"><li>i. Name of the authority.</li><li>ii. Nature and details of the action(s) taken or initiated.</li><li>iii. Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority.</li><li>iv. Details of the violation(s) committed.</li><li>v. Impact on financial, operational or other activities of the listed entity.</li></ul>	
20.	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.	Within 12 hours
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	Within 12 hours
2.	<del>Change in the general character or nature of business brought about by</del> <b>Any of the following events pertaining to the listed entity:</b> (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (ii) adoption of new line(s) of business; or (iii) closure of operation of any unit/division/ <b>subsidiary</b> (entirety or piecemeal)	Within 12 hours
3.	Capacity addition or product launch.	Within 12 hours
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Within 24 hours
5.	Agreements (viz. loan agreement(s) <del>(as a borrower)</del> 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. <b>Explanation - Disclosure of loan agreement(s) for lending shall not be applicable to a listed entity</b>	Within 12 hours



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Para / sub-para	Events	Proposed Timeline for disclosure
	<b>which is a bank or a non-banking financial company.</b>	
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.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the listed entity.	Within 24 hours
8.	Litigation(s) / dispute(s) / <del>regulatory action(s)</del> with impact.	Within 24 hours
9.	Fraud/defaults etc. by <del>directors (other than key managerial personnel)</del> or employees of listed entity.	Within 24 hours
10.	Options to purchase securities including any ESOP/ESPS Scheme.	<b>Within 12 hours</b>
11.	Giving of guarantees or indemnity or becoming a surety, <b>by whatever name called</b> , for any third party.	<b>Within 12 hours</b>
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13.	<b>Delay or default in payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.</b>	Within 24 hours
<b>C.</b>	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.	Within 24 hours
<b>D.</b>	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.	Within 24 hours