

**MUNJAL SHOWA LIMITED**

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

**This Policy is approved by the Board of Directors at its meeting held on May 30, 2023 and was last modified on February 06, 2025**



Munjal Showa Limited (the **"Company"**) believes in adequate and accurate disclosure of information on an ongoing basis, in order to enable investors to make well informed and timely investment decisions. This would ensure transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

## **1. PREFACE**

**1.1** 'Material Information' in layman terms, is any information, which if revealed to public, is likely to change a security's perceived value. This means that if the event in question has not yet happened, and it remains unclear whether it may happen at all, then determining whether it is material will require assessing the surrounding circumstances and weighing the probability of the event actually occurring, against its significance to the Company as a whole.

**1.2** Securities and Exchange Board of India, has vide its Notification dated 02<sup>nd</sup> September, 2015, introduced the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 01<sup>st</sup> December, 2015, whereby, every issuer or the issuing Company which has previously entered into agreement(s) with a recognized stock exchange to lists its securities, shall execute a fresh listing agreement with such stock exchange within six months of the date of notifications of these regulations.

Regulation 30(4)(ii) of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires a Company to frame a policy for determination of materiality, based on criteria specified in this sub-regulations, and duly approved by its Board of Directors.

Further Securities and Exchange Board of India vide its circular No. CIR/CFD/CMD/4/2015, dated 09<sup>th</sup> September, 2015, indicated the details that need to be provided while disclosing events.

**1.3** The Company endeavors to attain high level of transparency, accountability and equity with the ultimate objective of providing maximum customer satisfaction & increasing long term shareholders value keeping in view the interest of all stakeholders. To achieve these objectives, the Company hereby notifies this policy for determination of materiality of information or events.

**1.4** This policy has been adopted/revised by the Board of Directors at their Meeting held on February 06,2025 and amendment policy shall come into effect from February 06,2025.

## **2. DEFINITIONS**

**2.1** "Act" means the Securities and Exchange Board of India Act, 1992 including and statutory modifications or re-enactment thereof.

**2.2** "Archival Policy" means the policy of Munjal Showa Limited on preservation of records / Archival Policy on website disclosure.



**2.3** "Board" means Board of Directors of Munjal Showa Limited.

**2.4** "Company" means Munjal Showa Limited.

**2.5** "Chief Executive Officer" or "Managing Director" or "Manager" shall mean the person so appointed in terms of the Companies act, 2013 or Companies act, 1956.

**2.6** "Compliance officer" means as per Regulation 6 of SEBI LODR Regulation 2015, Compliance Officer shall be an officer, who is in whole time employment of the listed entity, not more than one level below the board of directors and shall be designated as a Key Managerial Personnel.

**2.7** "Committee" shall mean the committee of the Board of Directors or any other committee so constituted.

**2.8** "Financial Year" shall have the same meaning as assigned to it under sub-section (41) of section 2 of the Companies Act, 2013.

**2.9** "Half Year" means the period of six months commencing on the first day of April or October of a financial year.

**2.10** "Half Yearly Results" means the financial results prepared in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of a half year.

**2.11** "Holding Company" means a holding Company as defined in sub-section (46) of section 2 of the Companies Act, 2013.

**2.12** "Key Managerial Personal" means Key Managerial Personal as defined in sub-section (51) of section 2 of the Companies Act, 2013.

**2.13** "Listed Entity" means an entity which has listed, on recognized stock exchange(s), the designated securities issued by it or the designated securities issued under scheme managed by it, in accordance with the listing agreement entered into between the entity and the recognized stock exchange(s);

**2.14** "Officer" shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

**2.15** "Price Sensitive Information" shall have the same meaning as assigned to it in the Company's "Code of Conduct for Prevention of Insider Trading".

**2.16** "Promoter" and "promoter group" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**2.17** "Public" means public as defined under clause (d) of rule 2 of the Securities Contract (Regulations) Rules, 1957.

**2.18** "Public Shareholding" means public shareholding as defined under clause (e) of rule 2 of the Securities Contract (Regulations) Rules, 1957.

**2.19** "Quarter" means the period of three months commencing on the first day of April, July,



October or January of a financial year.

**2.20** "Quarterly Results" means the financial results prepared in accordance with these Regulations in respect of a quarter.

**2.21** "Regulation" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modifications of re-enactment thereof.

**2.22** "Schedule" means the schedule annexed to the Regulation.

**2.23** "SEBI" means the Securities and Exchange Board of India.

**2.24** "Securities Law" means the Act, the Securities Contract (Regulations) Act, 1956, Depositories Act, 1996, and the provisions of the Companies Act, 2013, and the rules, regulations, circulars, or the guidelines made thereunder.

**2.25** "Stock Exchange" means a recognized stock exchange as defined under clause (f) of section 2 of the Securities Contract (Regulations) Act, 1956.

**2.26** "Specified Securities" means 'equity shares' and 'convertible securities' as defined under clause (eee) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**2.27** "Subsidiary" means a subsidiary as defined under sub section (87) of section 2 of the Companies Act, 2013.

All other word and expressions used are not defined in this Policy or the Regulation, but defined in the act or Company's act, 2013 the Securities Contract (Regulations) Act, 1956, Depositories Act, 1996 and / or the rules and regulations made thereunder, shall have the same meaning as respectively assigned to them in such Act, Rules and Regulations or any statutory modifications of re-enactment thereof.

### **3. POLICY**

#### **3.1 Criteria for determining 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 the receipt of approval of the Board and / or upon the receipt of approval of both Board and the Shareholders.

However, for events where the price sensitivity factor is involved: e.g. – decision on declaration of dividends, Bonus Issue, Right Issue, preferential issue, Stock Split and Reverse Spilt etc., the disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

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



### **3.2 Criteria for determination of Materiality**

The following criteria shall be applied for determination of materiality of an event:

- a. The events specified in Para A of Part A of Schedule III of the Regulation shall be deemed to be material events and Company shall make disclosure of such events. The same is disclosed in **Annexure-I** to this Policy.
- b. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Regulation, based on applications of the guidelines for materiality as specified in Regulation 30(4), pursuant to which, the following criteria shall be considered for determination of materiality of events / information:
  1. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publically; or
  2. 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.
  3. The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
    - i. two percent of turnover, as per the last audited consolidated financial statements of the Company;
    - ii. two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
    - iii. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.
  4. In case where the aforesaid criteria are not available, an event / information may be treated as being material if in the opinion of the board, the event / information is considered material.

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the listed entity within thirty days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.”

“Provided that such a policy for determination of materiality shall not dilute any requirement specified under the provisions of these regulations:

Provided further that such a policy for determination of materiality shall assist the relevant employees of the listed entity in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, in terms of sub-regulation (5), for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).”

However, it might be possible that the Company or its officer, based on the preliminary information about the event, cannot reasonably determine whether an information is material.

In such case the Company or its officer shall be construed to have become aware of the event / information when the probable impact of the event / information becomes known / assessable.



**3.3 Disclosures**

a. The Company shall disclose this policy on its website.

b. Pursuant to Regulation 30, the Company shall first disclose to the stock exchange(s) of all events, as specified in Part A of schedule III (please refer **Annexures I-III** of this policy) of the regulation, or information as soon as reasonably possible and not later than the following :

i) thirty minutes from the closure of the meeting of the board of Directors in which the decision pertaining to the event or information has been taken:

Provided that in case the meeting closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the Board Meeting:

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;

iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

Provided that if all the relevant information, in respect of claims which are made against the listed entity under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8 of paragraph B of Part A of Schedule III, is maintained in the structured digital database of the listed entity in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity:

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

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

Explanation: Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors.

c. The Company shall disclose the events specified in Para B of Part A of Schedule III of the



Regulations as per this policy. The same is disclosed in **Annexure-II** to this Policy.

d. The regulation further provides that, the Company shall, with respect to disclosure referred to in regulation 30, make disclosure updating material developments on a regular basis, till such time the event is resolved / closed, with relevant expectations.

e. The details to be provided are given in Para A and Para B of Schedule III shall be in accordance with the regulations, as may be modified from time to time.

f. The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the regulation, and such information shall be hosted on the website of the Company for the minimum period of five years and thereafter as per the Archival policy of the Company.

g. Regulation 30 (12) provides that in case where an event occurs or an information is available with the company, which has not been indicated in Para A or Para B of Part A of Schedule III, but which may have material effect on it, the company is required to make adequate disclosures in regard thereof.

h. The company shall disclose all events or information with respect to subsidies, if any, which are material of the company.

i. The company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s) and shall provide adequate and specific reply to all the queries raised by stock exchange(s).

The aforesaid disclosure criteria is in accordance with Regulation 30 and therefore, any modification and / or amendment made thereto in the regulation, shall automatically apply on the aforementioned disclosure criteria.

*Authorization to certain key managerial personnel for determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under regulation.*

The Board of the Company has jointly or severally authorized the Managing Director of the company, and / or Chief Financial Officer of the Company and / or Company Secretary of the Company for the purpose of determining the materiality of the event or information and making disclosures to stock exchange(s) under Regulation 30. The contact details of such personnel are as under:

<b>AUTHORISED PERSON</b>	<b>PURPOSE</b>	<b>CONTACT DETAILS</b>
Managing Director	Determining materiality of an event or information and for making disclosures to the stock	Munjla Showa Limited 9-11, Maruti Industrial Area Sector-18, Gurugram, Haryana-122015 Email: <a href="mailto:yogesh_munjla@munjalshowa.net">yogesh_munjla@munjalshowa.net</a> <a href="mailto:pgupta@munjalshowa.net">pgupta@munjalshowa.net</a>
Chief Financial Officer		



	exchange(s)	Tel: 0124- 4783000
Company Secretary and Compliance Officer	Determining materiality of an event or information and for making disclosures to the stock exchange(s)	Munjal Showa Limited 9-11, Maruti Industrial Area Sector-18, Gurugram, Haryana-122015  Email: cs@munjalshowa.net Tel: 0124- 4783000

Further, if the authorized persons are not certain about the materiality of an event or information, they may refer the matter for external legal advice.

#### **4. AMENDMENTS IN THE POLICY**

i. The Board shall review and amend this Policy as and when required.

Any subsequent amendment / modification in the Listing Regulations or any other governing Act / Rules / regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy.





**ANNEXURE – I****Disclosure of events or information as specified in Para A of Part A of schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

*Events to be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):*

1. Acquisition(s) (including agreement to acquire), scheme of Arrangement (amalgamation / merger / demerger / restructuring), or sale or disposal of any unit(s), division(s), 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 agreeing to acquire shares or voting rights in a Company, whether existing or to be incorporated, whether directly or indirectly, such that-
  - (a) the listed entity holds shares or voting rights aggregating to twenty percent or more of the shares or voting rights in the said company, or;
  - (b) there has been a change in holding from the last disclosures made under sub-clause (a) of clause (ii) of the Explanation to this sub-paragraph and such change exceeds five percent of the total shareholding or voting rights in the said company.
  - (c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

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

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 of Listing Regulations

2. Issuance of 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 Ratings or Revision in Rating(s).

4. Outcome of Meetings of the Board of Directors:

The Listed entity shall disclose to Exchange(s) the outcome of meetings of the board of directors, held to consider the following:

- a) dividends recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid / dispatched;
- b) any cancellation of dividend with reasons thereof;
- c) the decision on buyback of securities;
- d) the decision with respect to fund raising proposed to be undertaken including by way of issue of securities (excluding security receipts, securitized debt instruments or money market instruments regulated by the Reserve Bank of India), through further public offer, rights issue, American Depository Receipts/ Global Depository Receipts/ Foreign Currency Convertible Bonds, qualified institutions placement, debt issue, preferential issue or any other method;
- e) Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited / dispatched;
- f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new share or securities or any other rights, privileges or benefits to subscribe to;
- g) short particulars of any other alterations of capital, including calls;
- h) financial results;
- i) decision on voluntary delisting by the listed entity from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent it impacts management and control of the listed entity), agreement(s) / treaty(ies) / contract(s) with media companies) which are binding and 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 Listing 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 / 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:

(ii) ‘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.

(iii) ‘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, and subsidiary shall mean default which has or may have an impact on the listed entity.

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

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Senior Management Auditor and Compliance Officer.

7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor.

(7B) Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date



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

- i. The letter of resignation along with detailed reasons for the resignation as given by the said director.
- (ia). Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
- ii. The independent director shall, along with the detailed reasons, also provide 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 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 Extra ordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.



15. (a) (i) Schedule of Analysts or institutional investor meet at least two working days in advance (excluding the date of the intimation and the date of the meet);

(ii) Presentations prepared by the listed entity for analysts or institutional investors meet, post earnings or quarterly calls shall be disclosed to the recognized stock exchanges prior to beginning of such events.

Explanation 1: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

Explanation 2: Disclosure of names in the schedule of analysts or institutional investors meet shall be optional for the listed entity.

(b) Audio recordings, video recordings, if any, and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means, in the following manner:

(i) The audio recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;

(ii) the video recordings, if any, shall be made available on the website within forty-eight hours from the conclusion of such calls;

(iv) the transcripts of such calls shall be made available on the website along with simultaneous submission to recognized stock exchanges within five working days of the conclusion of such calls.

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

a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;

b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;

c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;

d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

f) Appointment/ Replacement of the Resolution Professional;

g) Prior or post-facto intimation of the meetings of Committee of Creditors;

h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

i) Number of resolution plans received by Resolution Professional;

j) Filing of resolution plan with the Tribunal;

k) Approval of resolution plan by the Tribunal or rejection, if applicable;



l) 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) Any other material information not involving commercial secrets.
- n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
- o) Quarterly disclosure of the status of achieving the MPS;
- p) The details as to the delisting plans, if any approved in the resolution plan.

17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:

- a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
- b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.

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

18. 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 Listing 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) taken or orders passed:
  - i. name of the authority;
  - ii. nature and details of the action(s) taken, or order(s) passed;
  - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
  - iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
  - v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

Explanation – Imposition of fine or penalty shall be disclosed in the following manner along with

the details pertaining to the action(s) taken or orders passed as mentioned in the sub-paragraph:

- (i) disclosure of fine or penalty of rupees one lakh or more imposed by sectoral regulator or enforcement agency and fine or penalty of rupees ten lakhs or more imposed by other authority or judicial body shall be disclosed within twenty four hours.
- (ii) disclosure of fine or penalty imposed which are lower than the monetary thresholds specified in the clause (i) above on a quarterly basis in the format as may be specified.

21. Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.



**ANNEXURE – II****Disclosure of events or information as specified in Para B of Part A of schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

*Events to be disclosed without any application of the guidelines for materiality as specified in 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).
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 divisions of the listed entity due to natural calamity (earthquake, flood, fire, etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9. Fraud or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10. Options to purchase securities including any ESOP / ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety by whatever named called for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.





**ANNEXURE – III**

**Disclosure of events or information as specified in Para C and Para D of Part A of schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**PARA 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 sufficient 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 security of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

**PARA D**

Without prejudice to the generality of para (A), (B) and (C) of Part A of schedule III, the listed entity may make disclosures of events / information as specified by SEBI from time to time.



