

THE INDIAN CARD CLOTHING COMPANY LIMITED

(CIN : L29261PN1955PLC009579)

POLICY ON DISCLOSURE OF MATERIAL EVENTS / INFORMATION

[PURSUANT TO REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

1. LEGAL FRAMEWORK

The Board of Directors (The “Board”) of The Indian Card Clothing Company Limited (the “Company”) has adopted the following policy with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary.

The Board may review and amend this policy from time to time. This Policy will be applicable to the Company with effect from 1 December, 2015 in terms of Regulation 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) as amended from time to time.

2. POLICY OBJECTIVE AND SCOPE

- To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined.
 - The purpose of this documents is to present a high-level policy statement regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).
 - The policy is intended to define Company's policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in the Company making decisions and their responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company.
 - The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.
3. All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI's LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

4. DEFINITIONS

- a) **“Audit Committee or Committee”** means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, RBI Act and/or the Companies Act, 2013.
- b) **“Board of Directors or Board”** means the Board of Directors of The Indian Card Clothing Company Limited, as constituted from time to time.
- c) **“Company”** means a Company incorporated under the Companies Act, 2013 or under any previous company law.
- d) **“Independent Director”** means a Director of the Company other than a managing director or a whole time Director or a nominee director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 and the SEBI’s LODR, 2015 entered into with the stock exchanges.
- e) **“Policy”** means Policy on Disclosure of Material Events / Information.
- f) **“Material Events”** are those that are specified in Para A of Part A of Schedule III of the LODR.
- g) **“Other Events”** are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4) of regulation 30.
- h) **“LODR”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- i) **“Key Managerial Personnel” (KMP)** of the Company includes Managing / Whole-time Directors, Chief Financial Officer and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.

5. POLICY

Either based on the recommendation of the Audit Committee of Directors or Suo-moto the Board of Directors of the Company shall determine the events/information which are classified under different categories to be material and / or other events having a bearing on the performance of the Company and on the share prices of the Company, which needs to be disclosed to the stock exchanges as per the time span specified against each category.

CATEGORY A:

Events/information considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within **24 hours** of the decision taken at the Board Meeting are:

- A. Acquisition(s), (including agreement to acquire), Scheme of Arrangement which includes amalgamation / merger / demerger / restructuring), or sale or disposal of unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation- For the purpose of this sub-para, the word 'acquisition' shall mean, -

- i) acquiring control, whether directly or indirectly; or,
 - ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
 - a) the listed entity holds shares or voting rights aggregating to **five per cent** or more of the shares or voting rights in the said company, or;
 - b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
- B. 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.
- C. Revision in ratings.
- D. Shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s) / treaty(ies)/contract(s) with media companies which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- E. Fraud / default by promoters or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- F. Change in Directorships, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer
- G. 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 to the stock exchanges as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor.
- H. 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

- ii) Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
 - iii) The independent director shall, along with the detailed reasons, also provide a confirmation that there are no other material reasons other than those provided.
 - iv) 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. 391 and ii. above.
- I. Appointment and discontinuance of share transfer agent.
- J. 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.
- K. One time settlement with bank.
- L. Reference to BIFR and winding-up petition filed by any party / creditors.
- M. 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.
- N. Proceedings of the Annual General Meeting or Extra Ordinary General Meeting.
- O. Amendments to Memorandum and Articles of Association of listed entity, in brief.
- P. i) 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.
- ii) 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:
- a) 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;

- b) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.

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

- i) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- ii) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- iii) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
- iv) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- v) 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;
- vi) Appointment/ Replacement of the Resolution Professional;
- vii) Prior or post-facto intimation of the meetings of Committee of Creditors;
- viii) 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;
- ix) Number of resolution plans received by Resolution Professional;
- x) Filing of resolution plan with the Tribunal;
- xi) Approval of resolution plan by the Tribunal or rejection, if applicable;
- xii) 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:
 - a) Pre and Post net-worth of the company;
 - b) Details of assets of the company post CIRP;
 - c) Details of securities continuing to be imposed on the companies' assets;
 - d) Other material liabilities imposed on the company;
 - e) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - f) Details of funds infused in the company, creditors paid-off;
 - g) Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - h) Impact on the investor – revised P/E, RONW ratios etc.;
 - i) 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;
 - j) Brief description of business strategy.
- xiii) Any other material information not involving commercial secrets.
- xiv) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS
- xv) Quarterly disclosure of the status of achieving the MPS;
- xvi) The details as to the delisting plans, if any approved in the resolution plan.

- R. 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:
- i) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
 - ii) 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

Note:

If the Management is not in a position to inform the stock exchange within 24 hours of the decision taken at the Board Meeting, then it shall inform the stock exchange as soon as it is possible with an explanation as to reason for delay in disclosing the said information.

CATEGORY B: Outcome of Meetings of the board of directors:

Events / Information considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within **30 minutes of the closure of the Board Meeting** are:

- A. dividend and / or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched and other information pertaining to them.
- B. any Cancellation of dividend with reasons thereof;
- C. the decision on buyback of shares
- 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 from stock exchanges

Note:

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.

CATEGORY C

Miscellaneous Events / Information not considered Material in view of the Board of Directors which however, needs to be disclosed to the stock exchanges within **as soon as it is possible when the necessary information is ready to be publicized** which are:

- A. Commencement or any postponement of the date of commercial production or operation of any unit / division.
- 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 line of business or closure of operations of any unit / division (entirety or piecemeal).
- C. Capacity addition or new product launch.
- D. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- E. Agreements for loan not in the normal course of business.
- F. Disruption of operation 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.
- G. Effects arising out of change in regulatory framework applicable to the listed entity.
- H. Litigation / dispute / regulatory action(s) with impact.
- I. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- J. Options to purchase securities including ESOP/ESPS scheme.
- K. Giving of guarantees or indemnity or becoming a surety for any third party.
- L. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- M. Emergence of new technologies,
- N. Expiry of patents.
- O. Any Change in accounting policy that may have a significant impact on the accounts, etc. and brief details thereof.
- P. Any other information that may be deemed necessary jointly and severally by the KMPs of the Company who would consider that it is necessary for the holders of the securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

- Q. The Board may in its discretion also authorise the KMPs to disclose such events, information or material that in its wisdom may be necessary for the Members of the exchange to know the information.
- R. The Management shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Members of the Stock Exchanges.

6. CRITERIA FOR DISCLOSURE OF EVENTS / INFORMATION

- A. The omission of an event or information would likely to result in discontinuity or alteration of event or information already available publicly.
- 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;
- C. In case where the criteria of an event / information does not fall in the first two categories, but still in the opinion of the board of directors are considered material.

7. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

The Key Managerial Personnel (KMPs) consisting of the Managing Director / Whole-time Director / Chief Executive Officer / Manager, Chief Financial Officer and the Company Secretary are hereby jointly and severally authorised to determine whether the event / information is material or not and in turn about its time line for disclosure based on the category of information as specified above to the stock exchanges, subject to such information being placed prior to or at the immediate Board Meeting held after the said information being made public.

8. WEBSITE UPDATION / UPDATES TO STOCK EXCHANGES

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall continue to host the same on the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates shall also be hosted on the website of the Company.

9. DISCLOSURE OF EVENTS / INFORMATION ON SUBSIDIARIES

The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.

10. AUTHORIZATION TO KMPs TO SUO-MOTO ACCEPT/DENY REPORTED EVENT OR INFORMATION

The Key Managerial Personnel (KMPs) consisting of the Managing Director / Whole-time Director / Chief Executive Officer / Manager, Chief Financial Officer and the Company Secretary are hereby jointly and severally authorised to suo-moto accept / deny any report event or information, which has been made public by media or by any other means including but not limited to electronic means. They are further authorised to respond to the rumors amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company. Such action taken by the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.

11. COMPLIANCE OFFICER

The Compliance Officer for the Purpose of complying with the provisions of LODR, 2015 shall be the Company Secretary of the Company.

12. POLICY REVIEW

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.