

**National Stock Exchange Of India Limited**

Ref No: NSE/CML/2019/20

September 24, 2019

The Company Secretary  
All Listed Companies

Dear Sir / Madam,

**Subject: Disclosure of Default / Inter Creditor Agreement (ICA)**

RBI vide circular dated June 07, 2019 has issued directions regarding early recognition, reporting and time bound resolution of stressed assets. The framework provides for lenders to take a prima facie review of defaulting borrowers within 30 days (Review Period) of default. During this review period, the lenders may decide on a resolution strategy which may include putting in place a resolution plan or alternatively initiate legal proceedings under the Insolvency and Bankruptcy Code.

In cases where Resolution Plan is to be implemented, all lenders shall enter into an Inter-Creditor Agreement (ICA), during the Review Period, to provide for ground rules for finalisation and implementation of the Resolution Plan in respect of borrowers with credit facilities from more than one lender.

As per the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations 2015, the listed entities are required to ensure timely and accurate disclosure on all material matters including the financial situation, performance, ownership, and governance of the listed entity, etc.

It has been observed that the developments related to the Inter-Creditor Agreement (ICA) are likely to have significant impact on the prices of the securities of the listed entities whose assets have been deemed to be 'stressed' on account of default or delay of interest / principal payments. Hence, as per the provisions of SEBI (LODR) Regulations, 2015, the developments such as signing of Inter Creditor Agreement (ICA) by the lenders of the listed company, is **deemed to be 'material'** as it is likely to have significant impact on the ownership and governance of the Company.

Hence the following directions are being issued in consultation with SEBI and will be applicable to all listed entities with immediate effect:

1. Listed entities shall promptly disclose to the Exchange regarding the 'material' developments pertaining to default and/or Inter Creditor Agreement (ICA), in terms of Regulation 30(1) and 30(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and all amendments and circulars issued thereunder.
2. All participants, who have acquired confidential information in the course of developments pertaining to default and/or ICA, shall maintain the confidentiality of such information, until the same is publicly disclosed to Exchange. Such participants shall include the companies, lenders and any other entities who may have access to unpublished price sensitive information (UPSI) as defined in SEBI (PIT) Regulations, 2015.
3. Such participants shall continue to ensure that a strong and robust framework to maintain confidentiality of the unpublished price sensitive information and ensure that persons (including the lenders and any other entities who may have access to UPSI as defined in SEBI

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(PIT) Regulations, 2015) are put through necessary restrictions as required under the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015.

4. Companies shall on their own promptly confirm or deny (as the case may be) and clarify to stock exchanges regarding any rumours or news on developments pertaining to default and/or Inter Creditor Agreement (ICA).

Listed Companies are required to take note of the same and comply accordingly.

Yours faithfully,  
For National Stock Exchange of India Limited

Harmeet Singh  
Manager