

Sudarshan Determination of material events or information Policy

1. INTRODUCTION:

The Board of Directors (the Board) of Sudarshan Chemical Industries Limited (Sudarshan / the Company) have adopted the 'Policy for Determination of Material Events or Information as required under Regulation 30 and 30A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations).

2. POLICY OBJECTIVE:

The objective of the Policy is to ensure timely and adequate disclosure of material events or information as per Regulation 30 and 30A of the Listing Regulations.

This Policy will be effective from 1st December, 2015 and was further amended by the Board on 8th August, 2023.

3. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION:

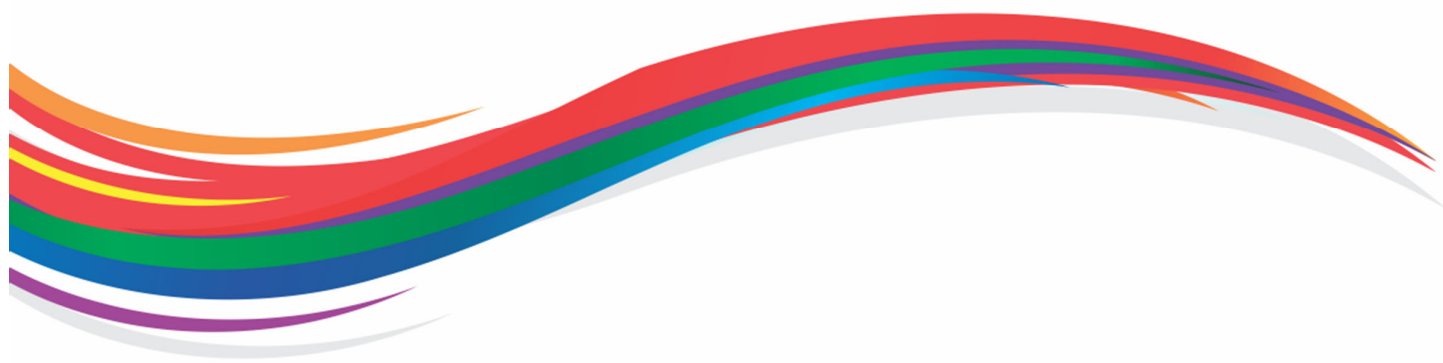
Materiality shall be determined on a case to case basis depending on the specific facts and circumstances relating to the event / information.

A particular event / information will be considered as material in nature, if it substantially affects the existing composition of revenue / profits of the Company or substantially alters the risks of the Company. To bring in objectivity to these criteria, the test to be applied, will be as follows:

A. Quantitative Criteria

Quantitative criteria will be computed on the basis of the last Audited Consolidated Financial Statements and would mean the omission of an event/information whose value involved or the expected impact in terms of value, exceeds the lower of the following::

- (1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
- (2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;



(3) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;

In terms of the SEBI Disclosure Circular, if the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

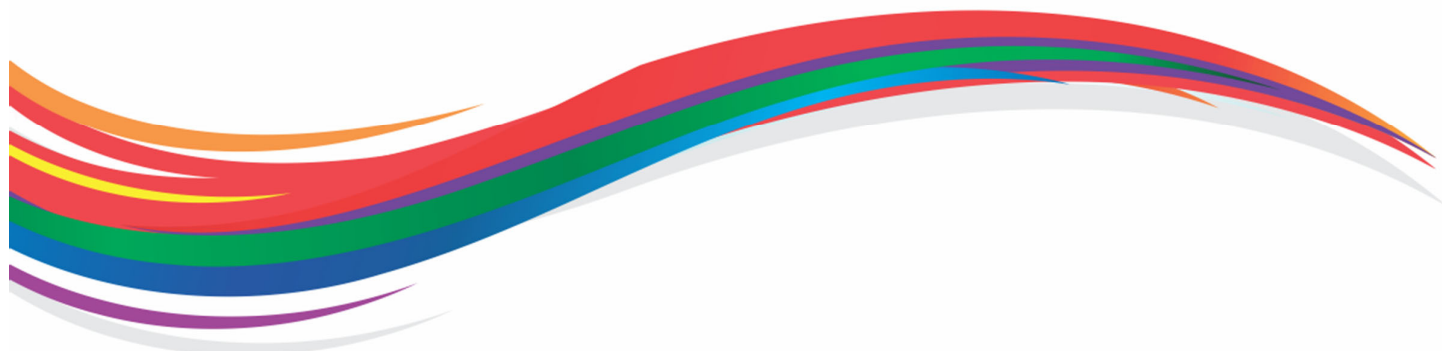
B. Qualitative Criteria

Qualitative criteria would mean an event / information in the opinion of the designated Key Management Personnel:

- (a) Which will substantially increase the risk levels in the Company or
- (b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (c) Which if suppressed would have significant market impact when such information / event comes to public at a later date. Or
- (d) any other event/information may be treated as being material if in the opinion of the Board of directors of Company, the event / information is considered material.

4. PROCEDURE:

1. All events/ information shall be disclosed to the Stock Exchanges, as specified in Annexure I within 30 minutes of the closure of 'the Board Meeting in which meeting such events / information is considered .
2. All events/ information shall be emanating from within the Company disclosed to the Stock Exchanges, as specified in Annexure II as soon as reasonably possible but not later than 12 hours from the occurrence of event or information which is emanating from the Company.
3. All events/ information shall be disclosed to the Stock Exchanges, as specified in Annexure II as soon as reasonably possible but not later than 12 hours from the occurrence of event or information which is not emanating from the Company.
4. All events/ information shall be disclosed to the Stock Exchanges, as specified in Annexure III based on criteria of materiality, specified above.



5. In case, based on specific facts and circumstances event / information may be considered as material if it qualifies any of following factors:

- a. Whether there would be any direct or indirect impact on the reputation of the Company: or
- b. Whether non-disclosure can lead to creation of false market in the securities of the Company: or
- c. Whether there would be a significant impact on the operations or performance of the Company.

6. The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved / closed, with relevant explanations.

7. In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

8. All events/ information which have been disclosed to the Stock Exchanges will be posted on the website of the Company for a minimum period of five years and thereafter as per the 'Archival Policy of Website Contents' of the Company as disclosed on the website of the Company.

9. The Company shall disclose all events or information with respect to its subsidiaries which are material as per criteria specified below:

a) Listed Subsidiary:

Material event / information disclosed by Listed Subsidiary to the Stock Exchanges and Holding Company.

b) Un-listed Subsidiary:

Any Material event / information which qualifies Quantitative Criteria specified above, as disclosed by Subsidiary Company to the Holding Company

10. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

Provided that the Company shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumors of an impending specific material event or information in terms of the provisions of this policy or Listing Regulations are circulating amongst the investing public, as soon as reasonably possible and not later than twenty four hours from the reporting of the event or information.

Provided further that if the Company confirms the reported event or information, it shall also provide the current status of such event or information.

11. In case where an event occurs or an information is available with the Company, which has not been indicated in Annexure –I or Annexure- II of this policy, as specified above, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.

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

Save as otherwise provided in Annexure of this Policy, any of the Company's Key Managerial Personnel (as defined under the Companies Act, 2013) (KMP's) is authorised to determine materiality of an event or information and the Compliance Officer of the Company is authorised to make the necessary disclosure to the Stock Exchanges under Listing Regulations.

The KMP's, Senior Management Personnel (SMP's) and other employees of the Company are required to report, in case they come across any potential material event or information as specified in Annexures of this policy. They shall report the same as per internal reporting system to the Compliance Officer of the Company.

All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 4 or 4A of Annexure – II of this policy, shall inform the Company about the agreement to which such the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. They shall report the same as per internal reporting system to the Compliance Officer of the Company.

5. DISCLOSURE:

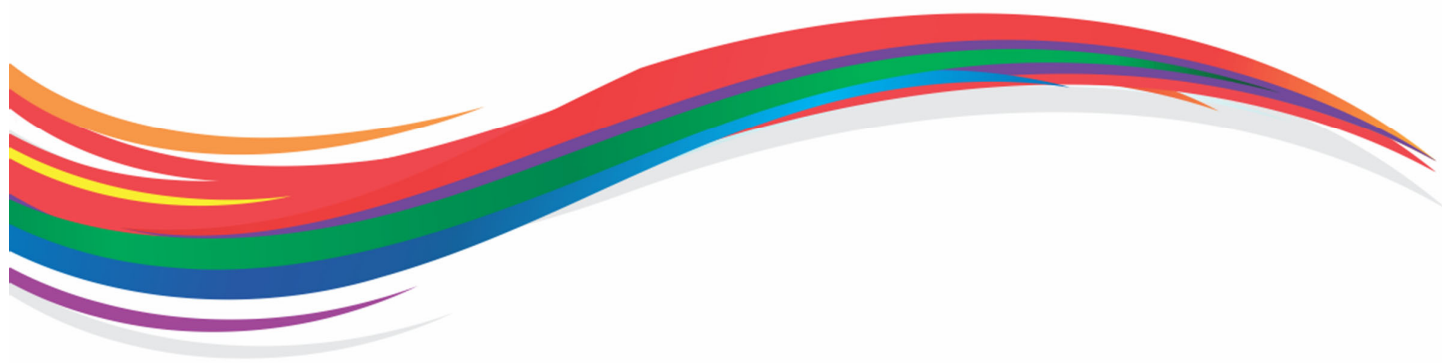
This Policy shall be disclosed on the Company's website.

6. AMENDMENT:

In case of any subsequent changes in the provisions of Act / Regulation, which makes any of the provisions in the Policy inconsistent with the Act or regulations. the provisions of the Act / Regulation would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

7. SCOPE AND LIMITATION:

In the event of any conflict between the provisions of this Policy and the Regulations or any other statutory enactments, the statutory enactments shall prevail over this Policy.



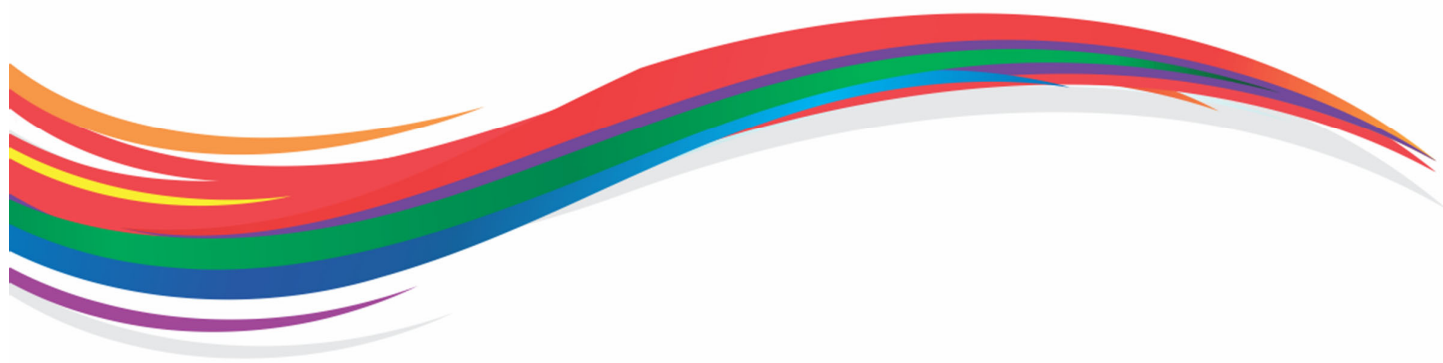
ANNEXURE I

(As prescribed under Part A of Schedule III of Regulation 30 of SEBI Listing Regulations, 2015 including any amendment there under)

Outcome of Meetings of the board of directors: The Company shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting held to consider among others the following:

- a) Dividends and/or cash bonuses recommended or declared or the decision to pay 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 Company 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.



ANNEXURE II

(As prescribed under Part A of Schedule III of Regulation 30 SEBI Listing Regulations, 2015 including any amendment there under)

The following shall be events / information. Upon occurrence of which the Company shall make disclosure to stock exchange(s):

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement, amalgamation / merger / 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: - 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 Company 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. Or;

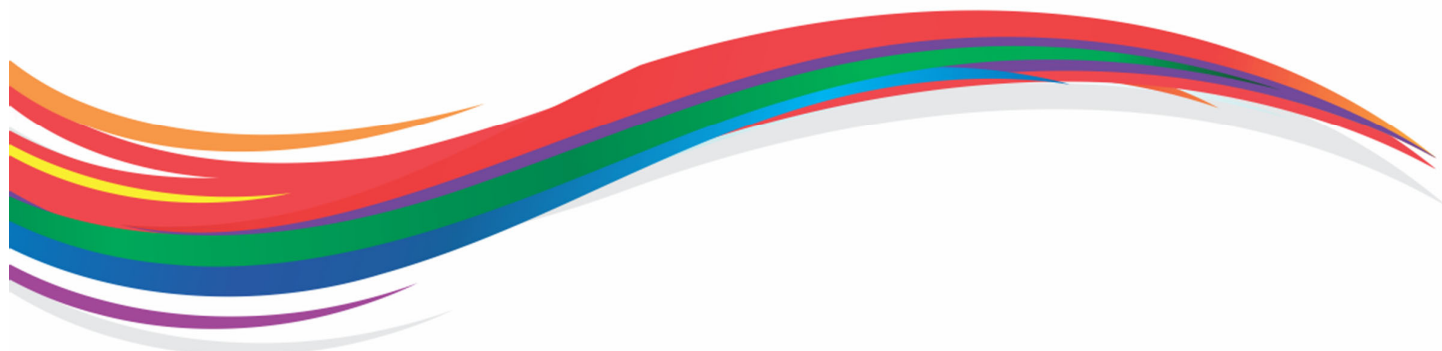
c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in clause 3 above (sub-clause I of clause (i) of sub-regulation (4) of regulation 30.)

Explanation (3)- For the purpose of this sub-paragraph, "undertaking" and "substantially the whole of the undertaking" shall have the same meaning as given under section 180 of the Companies Act, 2013.

2. Issuance or forfeiture of securities, split or consolidation of shares. buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.

3. New Rating(s) or Revision in Rating(s).

4. Agreements (viz shareholder agreement(s), joint venture agreement(s). family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty (ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.



5. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:

Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

6. Fraud or defaults by a listed entity, its promoter, director or key managerial personnel, Senior management or Subsidiary or arrest of Key Managerial Personnel, Senior Management, promoter or director of the listed entity, whether occurred within India or abroad:

For the purpose of this sub-paragraph:

(i) ‘Fraud’ shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

(ii) ‘Default’ shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in ‘default’ if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity.]

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

8. 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.

9. 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.

10. 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.

11. 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).

12. Appointment or discontinuation of share transfer agent.

13. 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.

14. One time settlement with a bank.

15. Winding-up petition filed by any party / creditors.

16. 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.

17. Proceedings of Annual and extraordinary general meetings of the listed entity.

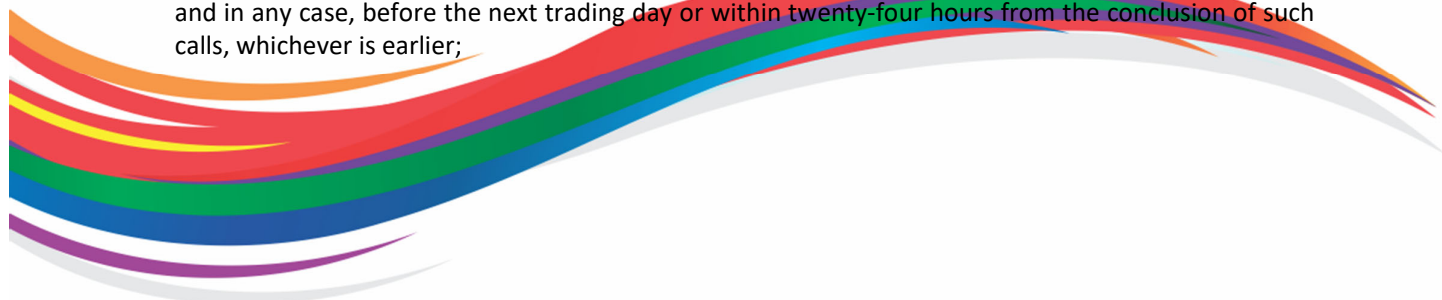
18. Amendments to memorandum and articles of association of listed entity, in brief.

19. (a) Schedule of Analyst or institutional investor meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the listed entity to analysts or institutional investors.

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

(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

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



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

20. 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) 427[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, 428[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.

21. 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.

22. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.

Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

23. 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.

24. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

(a) suspension;

(b) imposition of fine or penalty;

(c) settlement of proceedings;

(d) debarment;

(e) disqualification;

(f) closure of operations;

(g) sanctions imposed;

(h) warning or caution; or

(i) any other similar action(s) by whatever name called;

along with the following details pertaining to the actions(s) initiated, taken or orders passed:

i. name of the authority;

ii. nature and details of the action(s) taken, initiated or order(s) passed;

iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;

iv. details of the violation(s)/contravention(s) committed or alleged to be committed;

v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

25. 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 III

(As prescribed under Part B of Schedule III of Regulation 30 SEBI Listing Regulations, 2015 including any amendment there under)

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) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Pendency of any Litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
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 name 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.

