

## 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 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 of the Listing Regulations.

This Policy will be effective from 1st December, 2015.

### 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. The threshold test would be:

- exceeds Ten percent of the gross turnover, or
- exceeds Ten percent of the net worth,

#### B. Qualitative Criteria

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

- (a) Which will substantially increase the risk levels in the Company or

(b) Which if suppressed would have significant market impact when such information / event comes to public at a later date.

#### **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 disclosed to the Stock Exchanges, as specified in Annexure II as soon as reasonably possible but not later than 24 hours from the occurrence of event or information.

3. All events/ information shall be disclosed to the Stock Exchanges, as specified in Annexure III based on criteria of materiality, specified above.

4. 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.

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

6. 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.

7. 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

## **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.

Place: Pune 411 001

Date : 31st October, 2015

## 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).

**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) 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 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.

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. 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. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

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

7. Appointment or discontinuation of share transfer agent.

8. Corporate debt restructuring.

9. One time settlement with a bank.
10. Reference to BIFR and winding-up petition filed by any party / creditors.
11. 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.
12. Proceedings of Annual and extraordinary general meetings of the listed entity.
13. Amendments to memorandum and articles of association of listed entity, in brief.
14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

## 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. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
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 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. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.