Prepared by	Approved By	Up-dation Date	Remarks
Secretarial Team	Board of Directors	14-11-2024	

SUDAL INDUSTRIES LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION

Background and Objectives:

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, requires every listed company, whose specified securities are listed on any recognized stock exchange(s) to frame a Policy for determination of materiality of event or information ("Policy"), duly approved by the Board of Directors.

The objective of the Policy:

1. To determine materiality of event or information as specified in Regulation 30 read with Para A (events which are deemed material) and B (events where materiality threshold needs to be applied) of Part A of Schedule III of the Listing Regulations for the purpose of disclosure to Stock Exchanges.

2. To confirm, deny or clarify, upon Material Price Movement, any reported event or information in the Mainstream Media.

3. To assist the relevant employees of the Company in identifying any potential material event or information and reporting the same to the Authorized Persons for determining materiality and making necessary disclosure to the Stock Exchanges.

4. To ensure that the information disclosed by the Company is timely and transparent.

Definition:

"Act" shall mean the Companies Act, 2013 and the Rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof.

"Board of Directors" or **"Board"** shall mean the Board of Directors of Sudal Industries Limited, as constituted from time to time.

"**Authorized Persons**" means Managing Director, Chief Financial Officer and Company Secretary of the Company.

"**Company**" means Sudal Industries Limited.

"**Default**" shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

"**Expected impact in terms of value**" means the value determined with respect to an event or information by the Relevant Employees as per the criteria determined by the Company.

"**Impending specific event / information**" shall mean all the events or information, which satisfy the below attributes:

a) The events which are specifically related to Sudal Industries Limited;
b) The information circulated has specific aspects / details of the reported transaction;
c) Where the probability of going ahead with the information / concerned event within a reasonable period of its publication is higher, or the information is completely false; and
d) Disclosure of such reported transaction is not constrained by any regulatory or contractual conditions.

"**Material Events / Information**" means events / information in terms of Part A of Schedule III of Listing Regulations. (Please refer to Annexure A and Annexure B)

"**Mainstream Media**" shall cover specific news sources as specified in Industry Standards note on verification of market rumors recognized by SEBI Circular dated May 21, 2024 and issued by Industry Standards Forum ("ISF"), under Regulations 30(11) of Listing Regulations, as amended from time to time.

'**Material Price Movement**', shall be calculated as per the framework issued by the stock exchanges / SEBI from time to time.

"**Normal course of Business**" shall mean all those transactions, events, and activities that satisfy one or more of the below attributes:

i. Transactions that are in consonance with the current business operations of the Company.
ii. Transactions, events, or activities which are conducted on a frequent or recurring basis as a part of regular operations.
iii. The terms of the transactions, events, or activities are comparable to those that would be applicable to transactions or activities with other independent parties such that these transactions are conducted at arm's length.

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

"**Not general in nature**" shall include those events and information which are related to the Company, the industry or the group in general and does not have attributes of "Impending specific event / information."

"**Relevant Employees**" means an employee who has access to material event / information as specified in this Policy.

"**Subsidiary**" or "**Subsidiaries**" means Subsidiary or Subsidiaries of Sudal Industries Limited.

"**Specified Securities**" means 'specified securities' as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The words and expressions used but not defined herein shall have the same meaning as assigned to those words and expressions under the Listing Regulations. If any word and expression is not defined in the Listing Regulations, such word and expression shall have the same meaning as mentioned under the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

Policies:

A) Applicability

This Policy applies to:

(a) All events / information stated in Para A of Part A of Schedule III to the Listing Regulations which are deemed to be material and shall be disclosed without application of materiality thresholds applicable to the Company. The list of these events is provided in Annexure A of this policy.

(b) All events / information specified in Para B of Part A of Schedule III of the Listing Regulations which are provided in Annexure B of this Policy. These events have to be disclosed based on materiality thresholds applicable to the Company, from time to time.

B) Criteria for determination of materiality of event or information

The Authorized Persons shall determine materiality of an event / information, on case-to-case basis, considering the specific facts and circumstances relating to the said event / information. Further, while determining materiality of an event / information, following qualitative and quantitative criteria shall also be considered.

Quantitative Criteria

(a) The Authorized Persons shall consider whether 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 (2%) of turnover, as per the last audited consolidated financial statements of the Company;

ii. two percent (2%) of net worth, as per the last audited consolidated financial statements of the Company;

iii. five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.

Qualitative Criteria

(b) The Authorized Persons shall also consider the following criteria for determination of materiality of events / information:

i. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly.

ii. The omission of an event or information, which is likely to result in significant market reaction, if the said omission came to light at a later date;

In case the criteria specified in sub-clauses (a) and (b) above is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors or the authorized key managerial personnel of the Company, the event or information is considered material.The Company shall have a mechanism in place to enable the relevant employees to identify any potential material event(s) or information(s) and report the same to the Authorized Persons.

(c) In addition to above criteria, the following factors shall also be considered for determination of materiality of event / information:

i. Any event / information which directly or indirectly may affect the reputation of the Company; or

ii. Any event / information, which if not disclosed promptly may lead to creation of false market in the securities of the Company; or

iii. Any event / information which is not in the normal course of business;

(d) Events / information with respect to any subsidiary of the Company would be considered material for the Company if the value or expected impact of the event / information on the Company as described in above paragraphs.

C) Authorized Persons to determine materiality of event / information and verify on Market Rumor's:

The Company's Managing Director, Company Secretary and the Chief Financial Officer are severally authorized:

a) to determine the "Materiality" of any event / transaction / information based on the criteria provided in this Policy.

b) to confirm / deny / clarify on market rumor.

The authorized persons are also empowered to seek appropriate counsel or guidance as and when deemed necessary.

The Managing Director, Chief Financial Officer and the Company Secretary are severally authorized to disclose the aforesaid information to the Stock Exchanges.

D) Verification of market rumour:

The Company shall confirm, deny or clarify to the Stock Exchanges, any reported event or information in the Mainstream Media which is not general in nature and indicates an impending specific event or information which results into a material price movement in the shares of the Company, determined in the manner prescribed under Regulation 30 of the Listing Regulations read with related SEBI Circulars, Guidance Note and Industry Standards from time to time.

The confirmation, denial or clarification would be made to the Stock Exchanges as soon as reasonably possible, however, not later than twenty-four hours from the Material Price Movement.

E) Disclosure of events / information to the stock exchanges:

1. The Company shall disclose all events or information which are material in accordance with the Policy as soon as reasonably possible and in any case 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 of the Board of Directors 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 listed entity 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.)

   In case the Board of Directors has granted approval for any proposal subject to fulfillment of certain conditions and has authorized the management of the Company to finalize and implement the same, then such approval shall not be deemed to be material event / information which will require disclosure under this policy, till the conditions are fulfilled.

   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;

2. In case the disclosure is made after the timelines specified above of the occurrence of such event / information, the Company shall, along with such disclosure(s) provide an explanation for the delay.

3. The Company shall disclose to the stock exchanges material updates on the events / Information disclosed under this Policy till such time the event is resolved / closed, with relevant explanations.

Without prejudice to the generality of provisions of this Policy, the Company may make additional disclosures of any event / information as it may deem fit from time to time.

F) Review & Amendment

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Managing Director and the Chief Financial Officer shall jointly have the right to change / amend the policy as may be expedient taking into account the law for the time being in force and the Board would be updated about such change / amendment.

Any amendment to the Policy necessitated other than due to administrative convenience and / or statutory amendments, which would substantially impact the implementation of the existing Policy, shall be approved by the Board.

Where any of the provisions laid down under this Policy become inconsistent due to any amendment(s), clarification(s), circular(s), etc., issued by the relevant authorities; the provisions of such regulatory amendment(s) or clarification(s) or circular(s) as the case maybe shall prevail even if the same is not included in this Policy.

Annexure A

Events specified in Para A of Part A of Schedule III of the Listing Regulations

SR No	PARTICULARS
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in associate company of the Company 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 agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that – a) the Company holds shares or voting rights aggregating to twenty 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-paragraph and such change exceeds five 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 materiality threshold specified in this policy. 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. 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 Company; 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 materiality threshold specified in this policy.

	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.	Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange(s), the outcome of meetings of the board of directors, held to consider the following: a. dividends and/or cash bonuses 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 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)
5.	Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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.

6.	Agreements entered into by the shareholders, promoters, promoter group entities, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company 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 Company or impose any restriction or create any liability upon theCompany, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements: Provided that such agreements entered into by a Company 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 Company 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 Company shall or shall not act in a particular manner.
7.	Fraud or defaults by a Company, its director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or Director of the Company, whether occurred within India or abroad.
8.	Change in Directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.
9.	In case of resignation of the auditor of the Company, 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.
10.	Resignation of Independent Director including reasons for resignation: In case of resignation of an Independent Director of the Company, 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. The Independent Director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.

	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.
11.	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.
12.	In case the Managing Director or Chief Executive Officer of the Company 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).
13.	Appointment or discontinuation of share transfer agent.
14.	Resolution plan / Restructuring in relation to loans / borrowings from banks / financial institutions including the following details: a. Decision to initiate resolution of loans / borrowings; b. Signing of Inter-Creditors Agreement (ICA) by lenders; c. Finalization of Resolution Plan; d. Implementation of Resolution Plan; Salient features, not involving commercial secrets, of the resolution / restructuring plan as decided by lenders.
15.	One time settlement with a bank.
16.	Winding-up petition filed by any party / creditors
17.	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 Company.
18.	Proceedings of Annual and extraordinary general meetings of the Company.
19.	Amendments to Memorandum and Articles of association of Company, in brief.

20.	a. Schedule of analysts or institutional investors meet [at least two working days in advance (excluding the date of the intimation and the date of the meet)] Explanation 1: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means Explanation II: Disclosure of names in the schedule of analysts or institutional investors meet shall be optional for the listed entity.
	b. 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. c. 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 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; iii. 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.
21.	In relation to the Corporate Insolvency Resolution Process (CIRP) of the Company 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 Company, also specifying the amount of default; c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;

22.	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 Company 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.
23.	Announcement or communication through social media intermediaries or mainstream media by directors, key managerial personnel or senior management of a Company, in relation to any event or information which is material for the Company in terms of Regulation 30 of these Regulations and is not already made available in the public domain by the Company. Explanation – "social media intermediaries" shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.
24.	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its Directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, 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.
25.	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, 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) 719[***] taken or orders passed: i. name of the authority; ii. nature and details of the action(s) taken720[***] 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.]
26.	Voluntary revision of financial statements or the report of the Board of Directors of the Company under Section 131 of the Companies Act, 2013.

Annexure B

Events specified in Para B of Part A of Schedule III of the Listing Regulations

1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit / division or adoption of new lines(s) of business
2.	Arrangements for strategic, technical, manufacturing, or marketing tie-up
3.	Closure of operation of any unit / division or subsidiary (entirety or piecemeal)
4.	Capacity addition or product launch.
5.	Awarding, bagging / receiving orders / contracts not in the normal course of business.
6.	Amendment or termination of awarded / bagged orders / contracts not in the normal course of business.
7.	Loan agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
8.	Any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
9.	Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.) or force majeure
10.	Disruption of operations of any one or more units or division of the Company due to strikes, lockouts etc.
11.	Effect(s) arising out of change in the regulatory framework applicable to the Company
12.	Pendency of any Litigation(s) / dispute(s) or outcome thereof which may have an impact on 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:”
13.	Fraud / Default by employees which may have an impact on the Company.

14.	Options to purchase securities including any ESOP / ESPS Scheme.
15.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.
16.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
17.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.
18.	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 a significant 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 securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
19.	Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.