

SCHRADER DUNCAN LIMITED

POLICY ON DETERMINATION AND DISCLOSURE OF MATERIAL EVENTS OR INFORMATION

1. Introduction

The Board of Directors (the "Board") of Schrader Duncan Limited (the "Company") vide circular resolution dated 14.12.2015, has approved the Policy on Determination and disclosure of material events or information.

This policy can be modified/amended/alterd by the Board of Directors of the Company except in case of any statutory modification/amendment/alteration of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, which shall be deemed to be implemented in the Policy immediately on such notification for modification/ amendment/alteration etc. coming into effect.

2. Purpose

This Policy on Determination and disclosure of material events or information lays down the criteria with regard to determination of materiality of events or information which are required to be disclosed to the Stock Exchange(s) in terms of the requirements of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

3. Criteria for determination of materiality of events / information

The Company shall consider the criteria as specified in clause (i) of sub-regulation 4 of Regulation 30 of the Listing Regulations for determination of materiality of events / information.

4. Disclosure of event or information

- a. Events specified in Annexure A are deemed to be material events and the Company shall make disclosure to of such events or information as soon as reasonably possible and not later than twenty-four (24) hours (except para iv of Annexure A) of schedule from the occurrence of such event or information in the following manner:

- inform the stock exchange in which the securities of the Company are listed;
 - upload on the corporate website of the Company, Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.
- b. The Company shall make disclosure of events as specified in Annexure B based on application of guidelines for determining Materiality as per clause 5 of the Policy.
- c. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure A or Annexure B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

5. Authority to determine materiality of an event.

Mr. Shantanu Parvati, Whole-time Director (WTD) and/or Mr. V S Patil, Chief Financial Officer (CFO) are the authorized persons for the purpose of determining materiality of an event or information.

6. Disclosure to Stock Exchange

The Company Secretary is authorised for making disclosures of such material event or information to the stock exchange.

7. Change/modification

The WTD is authorised to make appropriate changes to the above policy as they may deem expedient taking into account the law for the time being in force. The policy is subject review from time to time.

8. Dissemination: The policy shall be hosted on the website of the Company.

Annexure A

The following events / information specified in para A of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchange without any application of the guidelines for materiality:

- i. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/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,-

- a. acquiring control, whether directly or indirectly; or,
- b. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
- 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;
 - 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.
- ii. 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.
- iii. Revision in Rating(s).
- iv. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, 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;

- 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 listed entity from stock exchange(s)
- v. 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.
 - vi. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
 - vii. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
 - viii. Appointment or discontinuation of share transfer agent.
 - ix. Corporate debt restructuring.
 - x. One time settlement with a bank.
 - xi. Reference to BIFR and winding-up petition filed by any party / creditors.
 - xii. 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.
 - xiii. Proceedings of Annual and extraordinary general meetings of the listed entity.
 - xiv. Amendments to memorandum and articles of association of listed entity, in brief.
 - xv. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

Annexure B

The following events / information specified in para B of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchange after following the procedural guidelines as given in para 3 of this Policy:

- i. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- ii. 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).
- iii. Capacity addition or product launch.
- iv. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- v. 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.
- vi. 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.
- vii. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
- viii. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- ix. Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of listed entity.
- x. Options to purchase securities including any ESOP/ESPS Scheme.
- xi. Giving of guarantees or indemnity or becoming a surety for any third party.
- xii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- xiii. 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 Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.