

# S CHAND AND COMPANY LIMITED

## *Policy on determination of materiality of events*

### POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

#### I. INTRODUCTION

SEBI has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) on September 02, 2015. As per Regulation 30 of Listing Regulations, every listed entity is required to frame a policy for determination of materiality of events or information duly approved by its Board of Directors, which would be disclosed on its website.

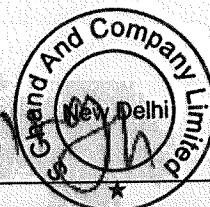
The SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 notified on June 14, 2023 and came into force on July 13, 2023, inter-alia, amended the Regulation 30 of Listing Regulation. Further, SEBI, vide its Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 (“**SEBI Circular dated July 13, 2023**”) have provided disclosure requirements under Regulation 30 and Regulation 30A in line with the above notification, which has necessitated several changes in the existing policy to determine Materiality of an Event / Information, for disclosure thereof under the said Regulation.

Accordingly, the Board of Directors of the Company at its meeting held August 11, 2023 has adopted this revised policy on Determination of Materiality of Events in compliance with Listing Regulations and above notification and SEBI Circular dated July 13, 2023.

#### II. OBJECTIVE OF THE POLICY

The objectives of this policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly- traded company as laid down by the Regulations, various Securities Laws and any other legislations.
- b. To ensure that the information disclosed by the Company is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of Material / Price sensitive information within the context of the Company’s disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.
- g. To assist the relevant employees of the Company in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s)



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#### III. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

1. Regulation 30 of Listing Regulations mandates disclosure of all deemed material events to the Stock Exchanges as specified in Para A of Part A of Schedule III of Listing Regulations. These events shall be disclosed without applying the test of materiality. The list of these events are mentioned in **Annexure-A of this policy**.
2. For disclosure of certain events as specified in Para B, C & D of Part A of Schedule III of Listing Regulations (List attached as **Annexure B**) to the Stock Exchanges, the following criteria of materiality shall be considered for determining whether the events are material or not: -

#### **Qualitative Criteria**

- 2.1 the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- 2.2 the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;

#### **Quantitative Criteria**

- 2.3 the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
  - a) **two percent of turnover**, as per the last audited consolidated financial statements of the Company;
  - b) **two percent of net worth**, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
  - c) **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 Company.

#### **Note:**

1. 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.
2. Turnover means revenue from operations, as reflected in the last audited Consolidated Financial Statement of the Company.



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#### **Opinion of the Board**

- 2.4 In case the criteria specified in above point 2.1, 2.2 & 2.3 are not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company, the event or information is considered material.

#### **IV. GUIDANCE ON TIMING OF OCCURANCE OF AN EVENT OR INFORMATION**

The timing of occurrence of an event and / or availability of information has to be decided on case-to-case basis depending upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required, the timing of occurrence would depend upon the timing when the listed entity became aware of the event / information.

- a. In case of matters which would depend on the stage of discussion, negotiation or approval, the events / information can be said to have occurred upon receipt of approval by the Board of Directors and in certain events after receipt of approval of both the Board of Directors or Shareholders of the Company.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval

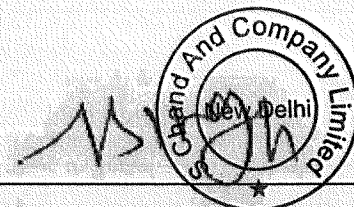
In case in-principle approval or approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under regulation 30 of Listing Regulations.

- b. In other instances where there is no such discussion, negotiation or approval required, the events / information can be said to have occurred when the Company becomes aware of the information or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the Company.

#### **V. DISCLOSURE PROCESS**

1. The second proviso to clause (ii) of sub-regulation (4) of Regulation 30 of Listing Regulation, provides that this policy shall assist the relevant employees of the listed entity in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange.



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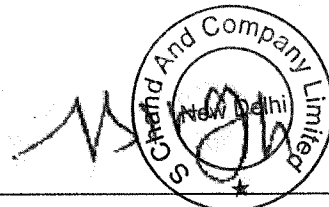
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Here, **Relevant Employees** means Senior Management in terms of regulation 16 (1) (d) of Listing Regulations and any other employees of the Company as designated or identified by the Board of Directors, from time to time.

2. The following officials of the Company are responsible and authorized for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of Listing Regulations and this policy:

Mr. Himanshu Gupta	Severally
Mr. Saurabh Mittal	Jointly
Mr. Jagdeep Singh	

3. Relevant employees shall immediately after identifying any material event or information, inform any of the authorized person as mentioned in above point 2 of the Company about the said event or information with adequate supporting data / information to facilitate a prompt and appropriate disclosure.
4. The authorized officials as mentioned in above point 2, after receipt of information about material event from any relevant employee or after identifying any material event or information, shall as soon as possible but not later than the timeline as specified in the below point no. 7, disclose the same to the Stock Exchanges where the shares of the Company are listed.
5. In cases where the materiality of an event / information cannot be determined on the basis of point 2.1, 2.2 & 2.3 of Para II of this policy, the said authorized person shall refer the matter to Board of Directors of the Company to determine whether the same shall be considered as material or not.
6. The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc., as required by regulations.
7. The disclosure of the material events or information shall be disclosed to the Stock Exchange as soon as reasonably possible and in any case not later than the following:
- 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.
  - twelve hours** from the occurrence of the event or information, in case the event or information is emanating from within the Company;
  - twenty-four hours** from the occurrence of the event or information, in case the event or information is not emanating from within the Company;



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Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III of Listing Regulation shall be made within such timelines. The timelines as specified in Part A of Schedule III of the Listing Regulations read with SEBI Circular dated July 13, 2023 is mentioned in **Annexure "A"**.

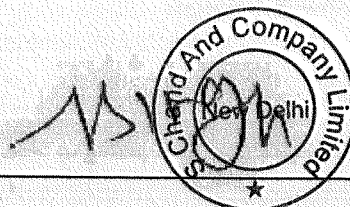
The events mentioned under Para B, C & D of Part A of Schedule III of Listing Regulations, if identified to be material in terms of this policy, shall be informed to the Stock Exchanges within the timeline specified in **Annexure "B"**.

In case the disclosure is made after the above specified timelines, the Authorized Persons shall provide explanation for the delay along with the disclosure(s) to be made to the Stock Exchanges.

8. In case where an event occurs or an information is available with the Company / Relevant Employee / Authorized Persons, which has not been indicated in Para A or B of Part A of Schedule III of Listing Regulations, but which may have material effect on the Company, the adequate disclosures in regard thereof shall be made with the Stock Exchanges.
9. In case an event or information is required to be disclosed by the Company in terms of the provisions of the regulation 30 of Listing Regulation or this policy, 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.
10. Dissemination or Communication to public through social media intermediaries / mainstream media / news channel / otherwise by the Company's official(s), being Directors, Promoters, Key Managerial Personnel or Senior management personnel, in relation to any event or information which is material in terms of regulation 30 of Listing Regulations and is not already made available in the public domain by the Company, shall be disseminated after giving due intimation to Stock Exchanges.

Here, the information already available publicly means events / information that is already accessible to the public on a non-discriminatory basis. Information published on the website of a stock exchange, would ordinarily be considered available publicly.

11. The Company shall provide specific and adequate reply / clarification to all the queries raised by the Stock Exchanges with respect to any event or information, whether material or immaterial, as soon as reasonably practicable.
12. The Company may on its own initiative also, confirm or deny any reported event / information to stock exchange(s). If the Company confirms the reported event or information, it shall also provide the current stage of such event or information.



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13. Regular updates, where relevant, shall be made with relevant explanations till such time the event is resolved / closed.
14. The Company shall also disclose all events or information with respect to subsidiaries which are material for the Company.
15. All disclosures shall be made available on the website of the Company.

#### **VI. DISCLOSURE REQUIREMENTS FOR CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY**

1. 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, shall inform the Company about any agreement entered by them among themselves or with the 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 the Company. The information shall be given within two working days of entering into such agreements or signing an agreement to enter into such agreements.

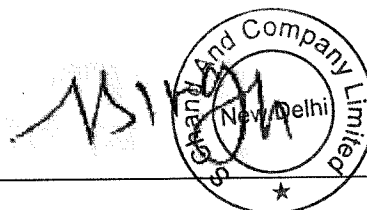
On receipt of such information, the Company shall disclose the same to the Stock Exchanges within the timelines as specified in Schedule III of Listing Regulation.

2. In relation to agreement entered into by any Shareholder, Promoter, Promoter Group Entity, Related Party, Director, Key Managerial Personnel and Employee of the Company or of its holding, subsidiary and associate company, with the Company, 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 the Company. The Company shall disclose the same to the Stock Exchanges within the timelines as specified in Schedule III of Listing Regulation.

The disclosure shall also be made about any rescission, amendment or alteration of such agreements thereto.

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 the Listing 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.



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#### **VII. MODIFICATION OF THE POLICY**

This Policy has been framed based on the provisions of Listing Regulations, as amended from time to time, and SEBI Circular dated July 13, 2023. In case of any subsequent amendments to Listing Regulations which makes any of the provisions in the Policy inconsistent, the provisions of the Regulations shall prevail.

Any amendments to the Listing Regulations shall mutatis mutandis be deemed to have been incorporated in this Policy.



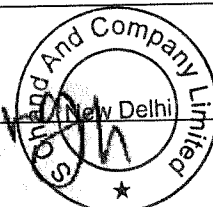
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Annexure-A

Events which shall be disclosed without any application of the guidelines for materiality

Sl.	Event	Timeline for disclosure
1.	<p>Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/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 or any other restructuring.</p> <p>Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,-</p> <p>(i) acquiring control, whether directly or indirectly; or,</p> <p>(ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether existing or to be incorporated, whether directly or indirectly, such that –</p> <p>(a) 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;</p> <p>(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.</p> <p>(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause I of clause (i) of sub-regulation (4) of regulation 30.</p> <p>Explanation (2) – For the purpose of this subparagraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-</p> <p>(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</p>	Within 12 hours *

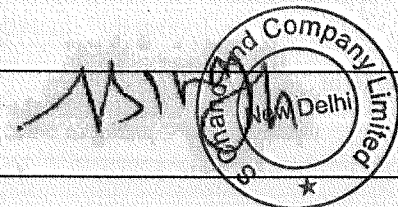




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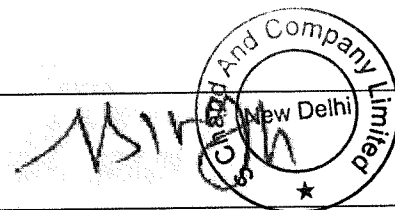
	<p>subsidiary or an associate company of the listed entity; or</p> <p>(ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in subclause I of clause (i) of sub-regulation (4) of regulation 30.</p> <p>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.”</p>	
2.	<p>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.</p>	<p>Within 12 hours *</p>
3.	<p>New Rating(s) or Revision in Rating(s).</p>	<p>Within 24 hours</p>
4.	<p>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:</p> <ul style="list-style-type: none"> <li>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;</li> <li>b) any cancellation of dividend with reasons thereof;</li> <li>c) the decision on buyback of securities;</li> <li>d) the decision with respect to fund raising proposed to be undertaken</li> <li>e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;</li> <li>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;</li> </ul>	<p>Within 30 minutes of conclusion of Board Meeting</p>



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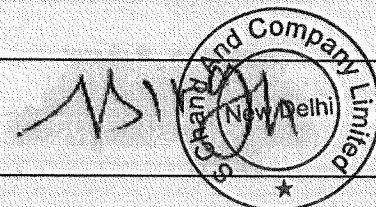
	<p>g) short particulars of any other alterations of capital, including calls;  h) financial results;  i) decision on voluntary delisting by the listed entity from stock exchange(s).</p> <p>Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered</p>	
5.	<p>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.</p>	<p>Within 12 hours * (for agreements where listed entity is a party)</p> <p>Within 24 hours (for agreements where listed entity is not a party).</p>
5A	<p>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:</p> <p>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.</p> <p>Explanation: For the purpose of this clause, the term directly or indirectly” includes agreements creating</p>	<p>Within 12 hours * (for agreements where listed entity is a party)</p> <p>Within 24 hours (for agreements where listed entity is not a party).</p>



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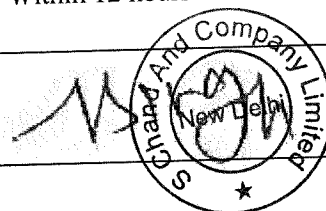
	obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.”	
6.	<p>Fraud or defaults by a listed entity, its promoter, directors, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad:</p> <p>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.</p> <p>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.</p> <p>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.”</p>	Within 24 hours
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	<p>Within 12 hours * (except in case resignation);</p> <p>Within 24 hours (in case of resignation)</p>
7A.	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	within 24 hours of receipt of such reasons from the auditor



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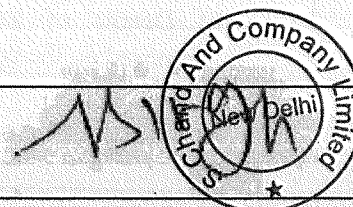
	of such reasons from the auditor.	
7B.	<p>Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:</p> <p>i. The letter of resignation along with detailed reasons for the resignation as given by the said director.</p> <p>ia. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.</p> <p>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.</p> <p>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 as specified in sub-clause (i) and (ii) above.</p>	within seven days from the date of resignation
7C	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.	within seven days from the date that such resignation comes into effect.
7D	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).	Within 12 hours *
8.	Appointment or discontinuation of share transfer agent.	Within 12 hours *



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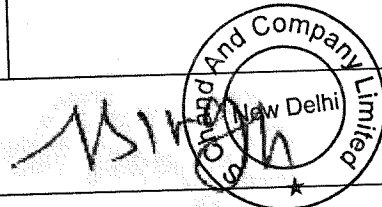
9.	<p>Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:</p> <p>(i) Decision to initiate resolution of loans/borrowings;</p> <p>(ii) Signing of Inter-Creditors Agreement (ICA) by lenders;</p> <p>(iii) Finalization of Resolution Plan;</p> <p>(iv) Implementation of Resolution Plan;</p> <p>(v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders</p>	Within 24 hours
10.	One time settlement with a bank.	Within 24 hours
11.	winding-up petition filed by any party / creditors.	Within 24 hours
12.	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.	Within 12 hours *
13.	Proceedings of Annual and extraordinary general meetings of the listed entity.	Within 12 hours *
14.	Amendments to memorandum and articles of association of listed entity, in brief.	Within 12 hours *
15.	<p>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 on financial results made by the listed entity to analysts or institutional investors;</p> <p>Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.</p> <p>(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:</p> <p>(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;</p> <p>(ii) the transcripts of such calls shall be made</p>	



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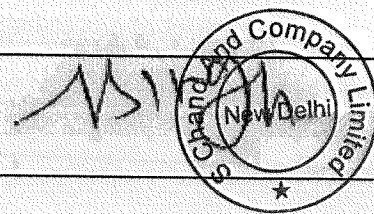
	available on the website within five working days of the conclusion of such calls:	
16.	<p>The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:</p> <ol style="list-style-type: none"><li>Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;</li><li>Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;</li><li>Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable</li><li>Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;</li><li>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;</li><li>Appointment/ Replacement of the Resolution Professional;</li><li>Prior or post-facto intimation of the meetings of Committee of Creditors;</li><li>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;</li><li>Number of resolution plans received by Resolution Professional;</li><li>Filing of resolution plan with the Tribunal;</li><li>Approval of resolution plan by the Tribunal or rejection, if applicable;</li><li>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:<ol style="list-style-type: none"><li>Pre and Post net-worth of the company;</li><li>Details of assets of the company post CIRP;</li><li>Details of securities continuing to be imposed on the companies' assets;</li></ol></li></ol>	Within 24 hours



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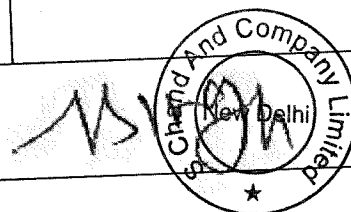
	<ul style="list-style-type: none"> <li>(iv) Other material liabilities imposed on the company;</li> <li>(v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;</li> <li>(vi) Details of funds infused in the company, creditors paid-off;</li> <li>(vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;</li> <li>(viii) Impact on the investor – revised P/E, RONW ratios etc.;</li> <li>(ix) Names of the new promoters, 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;</li> <li>(x) Brief description of business strategy.</li> <li>m) Any other material information not involving commercial secrets.</li> <li>n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;</li> <li>o) Quarterly disclosure of the status of achieving the MPS;</li> <li>p) The details as to the delisting plans, if any approved in the resolution plan.</li> </ul>	
17.	<p>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:</p> <ul style="list-style-type: none"> <li>a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;</li> <li>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.</li> </ul>	<p>Within 12 hours * (if initiated by the listed entity);</p> <p>Within 24 hours (if initiated by external agency).</p>
18	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	Within 24 hours



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	<p>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.</p> <p>Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.</p>	
19.	<p>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:</p> <p>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;</p> <p>along with the following details pertaining to the actions(s) initiated, taken or orders passed:</p> <p>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.</p>	Within 24 hours
20.	<p>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:</p> <p>(a) suspension; (b) imposition of fine or penalty; I settlement of proceedings;</p>	Within 24 hours



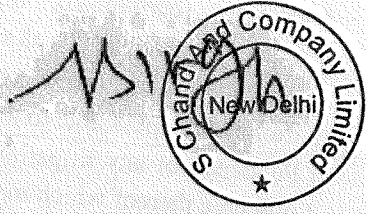


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<p>(d) debarment; I disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called;</p> <p>along with the following details pertaining to the actions(s) initiated, taken or orders passed:</p> <p>iv. name of the authority;</p> <p>ii. nature and details of the action(s) taken, initiated or order(s) passed;</p> <p>v. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;</p> <p>iv. details of the violation(s)/contravention(s) committed or alleged to be committed;</p> <p>v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.</p>	
<p>21. 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</p>	<p>Within 12 hours*</p>

\* Note: In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.



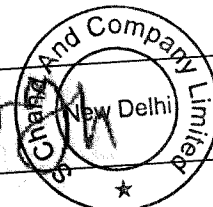
# S CHAND AND COMPANY LIMITED

## *Policy on determination of materiality of events*

Annexure-B

**Events which shall be disclosed upon application of the guidelines for materiality**

1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.	Within 12 hours *
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 operations of any unit / division or subsidiary (in entirety or in piecemeal).	Within 12 hours *
3.	Capacity addition or product launch.	Within 12 hours *
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Within 24 hours
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.	Within 12 hours * (for agreements where listed entity is a party);  Within 24 hours (for agreements where listed entity is not a party).
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.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the listed entity	Within 24 hours
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity	Within 24 hours
9.	Fraud or default employees of listed entity which has or may have an impact on the listed entity.	Within 24 hours
10.	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours *
11.	Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third	Within 12 hours *



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	party.	
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority	Within 12 hours *
C.	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.	Within 24 hours
D.	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 SEBI from time to time.	Timeline as specified by the SEBI

\* **Note:** In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above

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Last amended on August 11, 2023

