



STRIDES PHARMA SCIENCE LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION FOR DISCLOSURE TO THE STOCK EXCHANGES

1 PREAMBLE

The Board of Directors of Strides Pharma Science Limited has adopted the following policy in line with the requirement of Regulation 30 of the Listing Regulations for identifying and disclosure of material events and information to the Stock Exchanges.

2 DEFINITIONS

- a) **“Act”** shall mean the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- b) **“Board”** shall mean the Board of Directors of the Company.
- c) **“Company”** shall mean Strides Pharma Science Limited.
- d) **“Material Event/ Information”** means events/ information as specified in Clause 3 of this Policy.
- e) **“Deemed Material Events”** are the events/ information that shall be disclosed without any application of guidelines for materiality as specified in this Policy.
- f) **“Guideline Based Material Events”** are the events/ information which shall be disclosed upon application of guidelines for materiality as specified in Clause 4 of this Policy.
- g) **“Key Managerial Personnel or KMP”** shall mean KMP as defined under the Section 2(51) of the Act read with Regulation 2(o) of the Listing Regulations.
- h) **“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time.
- i) **“SEBI”** shall mean the Securities and Exchange Board of India

Any words used in this Policy but not defined herein shall have the same meaning ascribed to it in the Act or Rules made thereunder, Listing Regulations or any other relevant legislations or law applicable to the Company.

3 TYPES OF MATERIAL EVENTS/ INFORMATION

Material Events/ Information covered under this Policy shall be determined and disclosed by the Company in the manner set forth in this Policy.

- a) **Deemed Material Events** listed in Annexure - A shall be disclosed by the Company mandatorily without the application of any guidelines of materiality in line with Schedule III – Part A, Para A of the Listing Regulations.

- b) **Guideline Based Material Events** listed in Annexure – B shall be disclosed based on the application of the guidelines for materiality as specified in this Policy in line with Schedule III – Part A, Para B and Para C of the Listing Regulations.
- c) **Any Other Material Event/ Information** - The Company shall disclose major developments that is likely to affect the business of the Company 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.
- d) **Any other Material Information** that does not fall under the categories mentioned in Clauses 3(a) to 3(c) shall be disclosed as specified by SEBI from time to time.

4 CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION

Materiality shall be determined on case to case basis depending on the facts and circumstances. The Company shall apply the following Qualitative and Quantitative Criteria for the determination of materiality of events/ information:

Qualitative Criteria

- a) The omission of an event/ information which is likely to:
 - i. Result in discontinuity/ alteration of an event/ information already available publicly; OR
 - ii. Result in significant market reaction, if the said omission comes to light, at a later date.
- b) In situations where the criteria specified above are not applicable, an event/ information may be treated as being material, if such event/ information is considered material in the opinion of the Board of the Company.

Quantitative Criteria

Materiality threshold shall be 20% of the annual consolidated turnover of the Company as per its last audited financial statements.

The Quantitative Criteria shall be read in conjunction with the Qualitative Criteria for determining materiality and arriving at a final decision on the reporting to the Stock Exchanges.



5 DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION AND DISCLOSURE OF THE SAME

KMPs of the Company are severally authorized by the Board to:

- i. review and assess an event or information that may qualify as ‘material’ and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time;
- ii. determine the appropriate time at which the disclosures are to be made to the Stock Exchanges based on an assessment of actual time of occurrence of an event or information;
- iii. review, finalize and make appropriate disclosures to Stock Exchanges under this Policy;
- iv. disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/ closed, with relevant explanations;
- v. provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information;
- vi. disclose material events/ information with respect to the subsidiaries of the Company;
- vii. to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit;
- viii. suo moto accept/ deny any report, event or information, which has been made public by the media in an unauthorized manner, or by any other means including but not limited to electronic means; and
- ix. respond to the rumors amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company.

6 TIMELINES FOR DISCLOSURE OF MATERIAL EVENTS/ INFORMATION

The Company shall disclose Material Events/ Information to the Stock Exchanges as soon as reasonably possible but not later than 24 hours from the occurrence of such event or information or such other timeline as indicated in the Listing Regulations.

Provided that in case the disclosure to the Stock Exchanges is made after the prescribed timeline, the Company shall, along with such disclosures provide an explanation for delay.

All the events or information which has been disclosed to Stock Exchange(s) under this Policy shall be hosted on the website of the Company for a minimum period of 5 (five) years and thereafter archived as per the archival policy of the Company.

7 DISSEMINATION OF THE POLICY

This Policy shall also be disclosed on the website of the Company.

8 POLICY REVIEW

The Board may, based on the recommendations of the Audit Committee, may make any amendments to this Policy from time to time.

In case of any subsequent changes in the provisions of the Act and the Listing Regulations, which makes any of the provisions in this Policy inconsistent, the provisions of the Regulations would prevail over this Policy and the provisions in the Policy would be modified in due course to make it consistent with the Regulations.

9 CONTACT DETAILS

Contact details of the KMPs authorised to determine materiality of events/ information under this Policy are provided below:

Mr. Arun Kumar

Executive Chairperson & Managing Director

Contact Number: +91 80 6784 0118

Email id: investors@strides.com

Mr. Badree Komandur

Executive Director - Finance

Contact Number: +91 80 6784 0347

Email id: badree.komandur@strides.com

Ms. Manjula Ramamurthy

Company Secretary

Contact Number: +91 80 6784 0734

Email id: Manjula.r@strides.com

ANNEXURE – A

EVENTS LISTED IN SCHEDULE III – PART A, PARA A OF THE LISTING REGULATIONS

Deemed Material Events which shall be disclosed **without any** application of the guidelines for materiality as specified in Clause 3(a) of this Policy:

1. 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 Company 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 –
 - i. the Company holds shares or voting rights aggregating to 5% or more of the shares or voting rights in the said company, or;
 - ii. there has been a change in holding from the last disclosure made under sub-clause (i) of clause (b) of the Explanation to this sub-para and such change exceeds 2% 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. 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 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 Company from stock exchange(s).

Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.

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. Fraud/ defaults by promoter or key managerial personnel or by Company or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
8. Resignation of the Auditor of the Company

Explanation – In case of resignation of the Auditors of the Company, detailed reasons for such resignation, as given by the said auditor, shall be disclosed by the Company to the Stock Exchange(s) as soon as possible but not later than 24 hours of receipt of such reasons from the auditor.

9. Resignation of Independent Director(s) of the Company

Explanation - Within 7 days from the date of resignation of Independent Director(s), the following disclosures shall be made to the Stock Exchange(s) by the Company:

- i. The letter of resignation along with detailed reasons for the resignation as given by the said director.
 - ii. Name of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of the board committees, if any.
 - iii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iv. The confirmation as provided by the independent director above shall also be disclosed by the Company to the Stock Exchanges along with the detailed reasons as specified in sub-clause (i) and (iii) above.
10. Appointment or discontinuation of Share Transfer Agent.

11. Resolution plan/ Restructuring in relation to loans/ borrowings from banks/ financial institutions including the following details:
 - (i) Decision to initiate resolution of loans/ borrowings;
 - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of Resolution Plan;
 - (iv) Implementation of Resolution Plan;
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders
12. One-time settlement with a bank.
13. Reference to BIFR and winding-up petition filed by any party / creditors.
14. 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.
15. Proceedings of Annual and Extraordinary General Meetings of the Company.
16. Amendments to the Memorandum of Association and Articles of Association of Company, in brief.
17. Schedule of Analysts or institutional investors meet
 - a) Schedule of Analysts or institutional investors meet and presentations on financial results made by the Company to analysts or institutional investors.

Explanation: For the purpose of this clause ‘meet’ shall mean group meetings or group conference calls conducted physically or through digital means.
 - b) Audio or video recordings and transcripts of post earnings/ quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:
 - (i) the presentation and the audio/ video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
 - (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:
18. Corporate Insolvency Resolution Process (CIRP) of a listed corporate debtor under the Insolvency Code.

Following events in relation to the same shall be disclosed:

- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
- d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- e) List of creditors as required to be displayed by the corporate debtor under Regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under Regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - (i) Pre and Post net-worth of the company;
 - (ii) Details of assets of the company post CIRP;
 - (iii) Details of securities continuing to be imposed on the companies' assets;
 - (iv) Other material liabilities imposed on the company;
 - (v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - (vi) Details of funds infused in the company, creditors paid-off;

- (vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;
- (viii) Impact on the investor – revised P/E, RONW ratios etc.;
- (ix) Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment.

In case where promoters are companies, history of such company and names of natural persons in control;

- (x) Brief description of business strategy.
- m) Any other material information not involving commercial secrets.
- n) Proposed steps to be taken by the incoming investor/ acquirer for achieving the Minimum Public Shareholding (MPS);
- o) Quarterly disclosure of the status of achieving the MPS;
- p) The details as to the delisting plans, if any approved in the resolution plan;

19. 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 the Company:

- (i) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
- (ii) 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.

ANNEXURE – B

MATERIAL INFORMATION LISTED IN SCHEDULE III – PART A, PARA B OF THE LISTING REGULATIONS

Guideline Based Material Events which shall be disclosed after application of the guidelines for materiality as specified in Clause 4 of this Policy:

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 Company 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 Company.
8. Litigation(s)/ dispute(s)/ regulatory action(s) with impact.
9. Fraud/ defaults, etc. by Directors (other than key managerial personnel) or employees of Company.
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.