

**SANDU PHARMACEUTICALS LIMITED**

Reg off add: Plot No 25, 26, 29, & 30,  
Pilerne Industrial Estate, Marra, Bardez Goa 403511  
CIN: L24233GA1985PLC001587

**Tel:** +91 832 2407474 / 6715000

**Fax:** +91 832 2407008

Email:sandupharma@sandu.in

Web : www.sandu.in

**POLICY ON DISCLOSURE OF MATERIAL EVENTS / INFORMATION**

**I. Statutory Mandate**

The Board of Directors (The “Board”) of Sandu Pharmaceuticals Limited (the “Company”) has adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company with effect from 1<sup>st</sup> December 2015 in terms of Clause 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) .

**II. Policy Objective and Scope**

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the stock exchange as per the time span hitherto defined.

The purpose of this documents to present a high level policy statement for Sandu Pharmaceuticals Limited regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“LODR”)

The policy is intended to define Sandu Pharmaceuticals Limited’s policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in Sandu Pharmaceuticals Limited in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the company.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

**III.** All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the

Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

#### IV. **Definitions**

**“Audit Committee or Committee”** means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, RBI Act and/or the Companies Act 2013.

**“Board of Directors or Board”** means the Board of Directors of Sandu Pharmaceuticals Limited, as constituted from time to time.

**“Company”** means a Company incorporated under the Companies Act, 1956 or under any other act Prior to or after Companies Act 1956.

**“Independent Director”** means a Director of the Company, not being a whole time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 and the SEBI’s LODR, 2015 entered into with the stock exchange.

**“Policy”** means Disclosure of material events.

**“Material Events”** are those that are specified in Para A of Part A of Schedule III of the LODR

**“Other Events”** are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III as specified in sub-regulation(4).

**“LODR”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**“Key Managerial Personnel”** (KMP) of the Company includes Managing / Whole-time Directors, Chief Financial Officer / Vice President Finance and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.

#### V. **Policy**

Based on the recommendation of the Audit Committee of Directors or Suo Moto the Board of Directors of the Company shall determine the events which are classified under different categories to be material and / or other events having a bearing on the performance of the Company and on the share prices of the Company, which needs to be disclosed to the stock exchanges as per the time span specified against each category

##### **Qualitative Criteria for determining materiality:**

- (a) The omission of an event or information which is likely to:
  - i. result in a discontinuity or alteration of an event / information already available publicly; or

- ii. result in significant market reaction if the said omission came to light at a later date.
- (b) In the opinion of the Board, the event/information ought to be disclosed.

**Quantitative Criteria for determining materiality**

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 listed entity
- b) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, 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 listed entity.

In case where the criteria specified above is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

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
  - a) within 24 hours of occurrence of event in case the event or information is not emanating from within the listed entity.
  - b) 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
  - c) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

- d) The Company shall, with respect to the Material Information, make disclosures updating material developments on regular basis, till such time the event is resolved/closed, with relevant explanations.

**AUTHORIZED PERSONS FOR DETERMINING MATERIALITY OF INFORMATION/EVENTS AND FOR DISCLOSURES TO STOCK EXCHANGE(S):**

The following Key Managerial Personnel have been authorized by Board of Directors of the Company for the purpose of determining materiality of information/events and for disclosure of such information/events to Stock Exchange(s) from time to time:

- a. Managing Director
- b. Chief Financial Officer
- c. Company Secretary

**SCOPE AND LIMITATION:**

In the event of any conflict between the provisions of the Act/Listing Regulations and clauses of this Policy, provisions of the Act/Listing Regulations or relevant statutory enactments shall prevail over this Policy and part(s) so repugnant shall be deemed to be severed from the Policy.

**AMENDMENTS:**

The Board may, subject to the applicable laws, may amend any of the provisions of this Policy or replace the entire Policy with a new Policy.

**A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):**

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 listed entity, sale of stake in associate company of the listed entity or any other restructuring.

Explanation- For the purpose of this sub-para, the word 'acquisition' shall mean,-  
(i) acquiring control, whether directly or indirectly; or,

(ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether existing or to be incorporated, whether directly or indirectly, such that –

(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;

(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.

(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

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 ratings or Revision in Rating(s).

4. 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).

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 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.

5A. 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.

6. Fraud/defaults by a listed entity promoter, director or key managerial personnel, senior management or arrest of key managerial personnel, senior management, director or promoter of the listed entity, whether occurred within India or abroad.

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

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

8. Appointment or discontinuation of share transfer agent.

9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.

10. One time settlement with a bank.

11. Winding-up petition filed by any party / creditors.

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.

13. Proceedings of Annual and extraordinary general meetings of the listed entity.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. 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.

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code

17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called)

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 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.

19. 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:

(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;

20. 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:

- (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;

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.

**B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):**

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
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 operation of any unit, division or subsidiary (in entirety or in piecemeal).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

**\*\*amended by Board of Directors on 14<sup>th</sup> August 2023**