



Marksans Pharma Ltd.

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION AND DISCLOSURES

[Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Objects of this Policy for Determination of Materiality of Events or Information and Disclosures (the Policy) is to ensure adequate and timely information which are considered material to the investors to enable them to take informed decision to buy, sell or hold equity shares and other securities of Marksans Pharma Limited (the Company) or where such information is likely to have significant effect on the market price of the Company's equity shares or other securities.

Authorised Persons

The Managing Director, Chief Financial Officer and the Company Secretary of the Company are authorized, individually or jointly, to determine the materiality of an event or information on case to case basis for the purpose of disclosure and for making disclosure of such material events or information in accordance with this Policy.

Materiality of Events or Information

The Authorised Persons shall consider the following criteria for determination of materiality of an event or information:

1. If omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
2. If 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; or
3. If an event or information not falling under the above criteria but in the opinion of the Authorised Persons, the said event or information be treated as material considering the fact that a reasonable investor would consider it important in taking a decision to buy, sell, or hold a security or where the fact is likely to have a significant effect on the market price of the security.
4. Notwithstanding the above criteria, all the events and information listed in Annexure – A attached herewith shall be considered material.

Disclosure of material events or information

With respect to disclosure of material events or information, the Company shall follow the following guidelines:

1. The Company shall make disclosure of any event or information which, in the opinion of the Authorised Persons is material.
2. Events specified in Annexure – A attached herewith shall be deemed to be material events and the Company shall make disclosure of such events.
3. Any other event/information 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



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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.

4. Without prejudice to the generality of above, the Company may make disclosures of event/information as specified by the Board from time to time.
5. The disclosure of the events or information shall first be made to the stock exchanges where the Company's securities are listed and disclosure shall be as soon as reasonably possible but not later than twenty four (24) hours from the occurrence of the event or information. In case the disclosure is made after twenty four (24) hours of occurrence of the event or information, the disclosure shall be made along with explanations for such delay. However, information specified in Point No. 4 of Annexure – A shall be disclosed within thirty (30) minutes of the conclusion of the Board meeting.
6. The Company shall, with respect to disclosures referred to in this policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed.
7. All the events/information disclosed under this policy shall be displayed and hosted on the Company's website for such period as per the archival policy of the Company.

The Company will adhere to highest standards with regard to the implementation of this policy. The Compliance Officer of the Company shall have overall responsibility for implementing of this policy and shall take internal/external approvals, wherever necessary.

This policy will be reviewed from time to time so that the policy remains complied with the applicable legal requirements. The Compliance Officer will keep the policy updated as per applicable statutory guidelines.

This Policy is approved by the Board of Directors of the Company at its meeting held on 10th November, 2015.



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Annexure - A

The following Events shall be deemed to be material and shall be disclosed without any application of the criteria for materiality:

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,-

- (i) acquiring control, whether directly or indirectly; or,
 - (ii) acquiring or agreeing to acquire shares or voting rights in a company, whether directly or indirectly, such that -
 - (a) the Company 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.
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).
 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.



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6. Fraud/defaults by promoter or key managerial personnel or by the 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. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
10. One time settlement with a bank.
11. Reference to BIFR and 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.
13. Proceedings of Annual and extraordinary general meetings.
14. Amendments to memorandum and articles of association, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;

Annexure - B

The following Events shall be disclosed upon the Authorised Persons determining the same to be material as per the criteria for materiality:

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 the 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.