



Sun Pharma Advanced Research Company Ltd.

POLICY FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION

Policy adopted on: November 04, 2015

Policy revised on: May 17, 2022

I. SCOPE OF THE POLICY

- A. This policy (the “**Policy**”) is prepared in accordance with the requirements of the provisions of Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”). The Board of Directors (“**Board**”) of Sun Pharma Advanced Research Company Limited (“**Company**”) has adopted this policy, for determination of materiality of events/information in order to enable the Company to broadly classify, categorize and promptly disclose to the stock exchanges material events/information, in accordance with the Listing Regulations.

II. OBJECTIVE OF THE POLICY

- A. The Company believes in principles of fair disclosure and transparency and recognises that timely disclosure of relevant information to the shareholders of the Company is important to protect the interests of shareholders of the Company.
- B. The Policy on the determination of materiality of events/Information, as required under 30 (4) (ii) of the Listing Regulations is laid down to express the policy of the Company for identification/determination of material events/information which require prompt disclosure to the Stock Exchanges in accordance with the Listing Regulations.
- C. This Policy may be amended at any time by the Board of Directors (“the Board”) of the Company and is subject to further guidance from SEBI or amendments to or re-enactment of Regulations.

III. RELEVANT REGULATIONS

- A. Schedule III PART A (A), Schedule III PART B, Schedule III PART C and Schedule III(D) of the Listing Regulations prescribe a list of events which are deemed to be material events and are required to be disclosed by the Company promptly to the shareholders through the stock exchange by the Company within the prescribed time.
- B. Schedule III PART A (B) of the Listing Regulations specifies the list of events which may or may not be material to the Company and for which the Company has to apply the guidelines for materiality as specified in Regulation 30(4) in order to determine whether the event is material.
- C. Regulation 30(4) reads as follows

“(4) (i) The listed entity shall consider the following criteria for determination of materiality of events/ information:

(a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

(b) 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;

(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event/ information is considered material.

(ii) The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.”

D. Chapter II, Regulation 4(3) of the Listing Regulation specifies that in the event of any conflict between the principles specified in the regulation and relevant Listing Regulation, principles provided in Regulation 4(3) shall prevail.

“Chapter II, Regulation 4(3),

(3) In case of any ambiguity or incongruity between the principles and relevant regulations, the principles specified in this Chapter shall prevail.”

IV. POLICY STATEMENT

A. The Company through this policy intends to determine whether an event or information is material or not in the following manner;

a. Step 1: Classifying the information or event as i) Having an immediate or likely monetary impact (“**Monetary Events/Information**”) or ii) Not having any immediate or likely monetary impact (“**Non-monetary Events/Information**”).

b. Step 2: For **Monetary Events/Information** if the total monetary impact of the event/information on the either the assets, liabilities, expenses or turnover of the Company during the current financial year, exceeds; **10% (ten percent) of the annual consolidated revenues or 10% (ten percent) of the consolidated net worth, whichever is higher**, of the audited financial statements of the Company of the immediately preceding financial year, then such event shall be classified as material event and shall be promptly disclosed to the stock exchanges, within a period not exceeding 24 hours, and shall be simultaneously uploaded on the website of the Company.

c. Step 3: For **Non-Monetary Events/Information** that, i) have a bearing on the performance/operation of the Company or ii) which is considered to be

unpublished price sensitive information [as per the SEBI (Prohibition of Insider Trading) Regulations, 2015] or iii) may affect payment of interest or dividend on non-convertible preference shares/ debentures or redemption of non-convertible debt securities or redeemable preference shares or repayment of secured/ unsecured borrowings, if any, of the Company shall be evaluated by the KMPs for disclosure. The KMPs shall evaluate the information based on the criteria as provided in regulation 30(4).

- B. The Company shall disclose all events or information with respect to subsidiaries, if any, which are material for the Company.
- C. Nothing in this Policy is intended to restrict the Company from voluntarily disclosing any additional information and the KMPs are severally authorised to disclose additional information as may be considered important by the KMPs for disclosure to the shareholders in compliance with the 'Principles governing disclosure obligation' under Chapter II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

V. GUIDANCE ON OCCURRENCE OF EVENT / AVAILABILITY OF INFORMATION

- A. The timing of occurrence of an event and/or availability of information has to be decided on a case to case basis.
- B. In case of natural calamities, disruptions etc. the events/ information can be said to have occurred when the Company becomes aware of the information.
- C. In 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 or after receipt of approval of the Board of Directors and shareholders, as the case may be.

VI. IMPLEMENTATION AND MONITORING

- A. All the Key Managerial Personnels (KMPs) of the Company are jointly and/or severally authorized by the Board to decide whether any event or information is material and for the purposes of making disclosures to the stock exchanges and on the website of the Company.
- B. The KMPs are authorised to, sign the disclosures to be sent to the Stock Exchanges and arrange to upload on the website for the purposes of fulfilling the obligations under the Listing Regulations.

VII. CHANGE MANAGEMENT

The Board may amend or modify this Policy in whole or in part, at any time.

All the capitalised terms referred herein but not defined in this Policy, shall have the same meaning as defined in the Companies Act, 2013 (the “Act”), Listing Regulations or any other applicable law or regulation.

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.