



GLAND PHARMA LIMITED

POLICY FOR DETERMINATION OF MATERIALITY AND FOR DISCLOSURE OF EVENTS/ INFORMATION

Preamble:

The Policy for Determination of Materiality and for Disclosure of Events/Information, approved by the Board of Directors of Gland Pharma Limited (the “**Company**”) provides an overall framework for determining the materiality and disclosure of information or events of the Company pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”, and such policy, the “**Policy**”).

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors approved the “Policy for Determination of Materiality of Events or Information”. This Policy has been updated based on the amendments made to Regulation 30 and Schedule III of the SEBI LODR Regulations, by way of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 (“**LODR Amendments**”) and the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023 (“**SEBI Disclosure Circular**”).

This Policy is subject to the Board’s review and changes, as may be appropriate, in conformity with the requirements of the SEBI LODR Regulations, as amended from time to time.

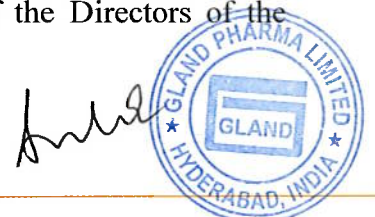
This policy is applicable to the Company from June 3, 2020 and the amended policy is applicable w.e.f. July 14, 2023 and shall be applicable for disclosures to be made by the Company effective this date.

2. Objective:

The objective of this Policy is to assist the employees of the Company in identifying potential material events or information in an objective manner that may originate at the ground level which can be promptly escalated and reported to the authorised Key Managerial Personnel or other officers of the Company, as specified in this Policy, for determining the materiality of the said event or information and for making necessary disclosure to the Stock Exchanges. All provisions of Regulation 30 read with Schedule III of the SEBI LODR Regulations shall hereby be deemed to be incorporated in this Policy, by reference.

3. Definitions:

- a. “**Board**” or “**Board of Directors**” means the collective body of the Directors of the Company as constituted from time to time;



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- b. “**Company**” shall mean Gland Pharma Limited;
- c. “**Key Managerial Personnel**” or “**KMP**” means the personnel as defined under Section 2(51) of the Companies Act, 2013; read with the rules and regulations issued thereunder, as amended from time to time;
- d. “**Officer**” shall have the same meaning as under the Companies Act, 2013; together with rules and regulations issued thereunder, as amended from time to time;
- e. “**Ordinary course of business**” or “normal course of business” means all activities that are necessary, normal or incidental to the business of the Company and are permitted by objects of the Company. These would also include common practices, historical practices and customs of commercial transactions with a pattern of frequency.
- f. “**Net Worth**” shall have the meaning assigned to it in Section 2(57) of the Act.
- g. “**Policy**” means this Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges, as amended from time to time;
- h. “**SEBI**” means the Securities and Exchange Board of India;
- i. “**SEBI Circular**” means circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015; issued by the SEBI on continuous disclosure requirements for listed entities, as amended or substituted from time to time;
- j. “**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956; as amended from time to time;
- k. “**Stock Exchanges**” means stock exchanges on which the Securities of the Company are listed, namely, the BSE Limited and National Stock Exchanges of India Limited; and
- l. “**Subsidiaries**” means a subsidiary company as defined under Section 2(87) of the Companies Act, 2013; read with the rules and regulations issued thereunder, as amended from time to time.
- m. “**Turnover**” shall have the meaning assigned to it in Section 2(91) of the Act;

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013; the SEBI LODR Regulations, the SEBI Act, 1992 (“SEBI Act”) and the Securities Contracts (Regulation) Act, 1956 (“SCRA”) or any other applicable Law or regulation to the extent applicable to the Company.



4. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the SEBI LODR Regulations (as applicable from time to time) (“Para A Events”) without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the SEBI LODR Regulations. Details to be provided to the Stock Exchanges while disclosing Para A Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

5. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

The Company shall disclose all such material events or information pertaining to itself or to its subsidiary(ies), specified in Para B of Part A of Schedule III of the SEBI LODR Regulations (“Para B Events”) subject to application of guidelines for materiality, as set out under the SEBI LODR Regulations

CRITERIA FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

Quantitative criteria would be calculated based on audited consolidated financial statements and ‘Material event / information’ would mean the omission of such event / information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- (a) 2% (two per cent) of consolidated turnover, as per the last audited consolidated financial statements of the Company; or
- (b) 2% (two per cent) of consolidated 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; or
- (c) 5% (five percent) of average of absolute value of consolidated profit or loss after tax for last 3 years, as per the last 3 (three) audited consolidated financial statements of the Company.

In terms of the SEBI Disclosure Circular, if 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.

In case where the criteria specified in sub-clauses (a), (b) and (c) 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.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.



Qualitative criteria- Material event / information would mean:

- (a) the omission of such 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 such an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or
- (c) any such other event/information, if in the opinion of the Board of directors of Company, the event / information is considered material.

6. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION & ITS TIMELY DISCLOSURE

The occurrence of material events/information could be either emanating from within or outside the Company, either by the Company's own accord or for reasons not in the hands of the Company. It can be categorized as under:

- (a) depends upon the stage of discussion, negotiation or approval; and
- (b) in case of natural calamities disrupting operations, etc., it would depend upon the timing when the Company became aware of the event/information.

In respect of the events under 6(a), the events/information can be said to have occurred upon receipt of approval of the Board of Directors, e.g., further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e., Board of Directors and Shareholders.

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. Approvals other than final approvals, such as in-principle approvals, exploratory approvals, etc. will not require disclosure under this Code.

In respect of the events under 6(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company

7. AUTHORIZATION AND CO-ORDINATION FOR DISCLOSURE

Pursuant to Regulation 30(5) of the SEBI LODR Regulations, the following KMPs are hereby severally authorized by the Board of Directors for the purpose of determining materiality of an



event or information and for the purpose of making disclosures to Stock Exchange(s) under this Policy (“**Authorized Person(s)**”).

- a. Managing Director / Chief Executive Officer (CEO)
- b. Chief Financial Officer (CFO)
- c. Company Secretary

Once the KMPs decide (in cases where materiality thresholds are applicable) to make a disclosure under this Policy, it will be informed to the Company Secretary for dissemination to stock exchanges within the stipulated timelines.

Details of the above KMPs shall also be disclosed to the Stock Exchange(s) and on the Company’s website as well.

8. DISCLOSURE TO STOCK EXCHANGES:

The Company shall disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

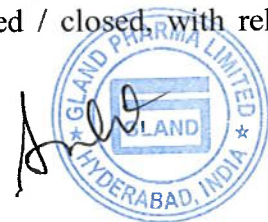
- (i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;
- (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

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.

The timelines of the Disclosure of events have to be determined based on the relevant Circulars issued by SEBI from time to time or amendments made to the SEBI LODR Regulations from time to time.

In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.





9. AUTHORITY TO MAKE ALTERATIONS

The Board of Directors of the Company is authorized to make such alterations to this Policy as considered appropriate, subject however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations.

10. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations / Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed severed from the Policy and the rest of the Policy shall remain in force.

Last amended date : 07/08/2023.

for GLAND PHARMA LIMITED

A handwritten signature in blue ink, appearing to read "S. Srinivas", written over the printed name.

SRINIVAS SADU
MANAGING DIRECTOR & CEO