

Policy for Determination of Materiality of Events or Information

1. Preamble

The Securities Exchange Board of India (SEBI), on September 2, 2015, notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Clause (ii) of sub-regulation (4) of Regulation 30 of the said Listing Regulation requires every listed Company to frame and adopt a policy to determine the material events or information by applying the Guidelines of Materiality for the purpose of proper, sufficient and timely disclosure of the same to the Stock Exchanges.

2. Purpose and Applicability

The purpose of this Policy is to ensure disclosure to the Stock Exchanges of any Event or Information, which in the opinion of the Board of Directors is Material based on criteria specified under clause (i) of Sub-Regulation (4) of Regulation 30 of the Listing Regulations.

3. Material Events or Information to be disclosed to the Stock Exchange(s)

A. The following events or information shall be deemed to be material events or information and disclosure thereof shall be made within 24 hours of occurrence:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit, undertakings, division or subsidiary of the Company or any other restructuring. For the purpose, 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 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 subclause a) of clause (ii) above 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. 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.

5. Fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.
 6. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary) Auditors and Compliance Officer.
 7. Appointment or discontinuation of share transfer agent.
 8. Corporate debt restructuring.
 9. One time settlement with a bank.
 10. Reference to BIFR and winding-up petition filed by any party / creditors.
 11. 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
 12. Proceedings of Annual and extraordinary general meetings of the listed entity.
 13. Amendments to Memorandum and Articles of association of the Company, in brief.
 14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;
- B Outcome of the Board Meeting to consider the followings shall be disclosed to the Stock Exchanges, within 30 minutes of the closure of the Meeting:
- 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).

4. Others

All disclosures made to Stock Exchanges under the Listing Regulations shall also be hosted on the website of the Company and retained thereat for a minimum period of five years.

This Policy shall be hosted on the web-site of the Company at www.aareydrugs.com Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.