

Policy for determining Materiality of Events

1. PREAMBLE

Pursuant to the requirement of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”), the Board of Directors of Wockhardt Limited has adopted this as Policy and procedures with regard to determination of Materiality of events/ information.

2. DEFINITIONS

“**Act**” shall mean the Companies Act, 2013, as amended from time to time.

“**Company**” means Wockhardt Limited

“**Net worth**” shall mean consolidated net worth of the Company. Net worth shall have the same meaning as defined in the Act.

“**Revenue**” shall mean consolidated revenue from operations of the Company.

“**Subsidiary**” shall have the same meaning as defined in section 2(87) of the Companies Act, 2013 as amended from time to time.

“**Senior Management Personnel**” shall mean personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

“**Fraud**” shall have the same meaning as defined in section 447 of the Companies Act, 2013 as amended from time to time.

3. Guidelines

The criteria/ threshold parameter(s) for disclosures of Events specified in Para B of Part A of Schedule III of Listing Regulations are as under:-

Sl. No.	Events	Criteria/ Threshold parameter(s) for disclosures if Event impacts
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	> 20% of revenue

Sl. No.	Events	Criteria/ Threshold parameter(s) for disclosures if Event impacts
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)	> 20% of revenue
3	Capacity addition	>20% of total assets per transaction.
4	Product launch	>20% of revenue
5	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/ contracts not in the normal course of business	>Rs.500 crore per contract/order
6	<p>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.</p> <p><i>Note: All loan agreements entered for term loan, working capital and fund based/non-fund based credit facilities shall be excluded in this purview.</i></p>	> 25% of revenue or net worth whichever is higher
7	Disruption of operations of any one or more units or division due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.	>20% of revenue
8	<p>Effect(s) arising out of change in the regulatory framework applicable to the Company.</p> <p><i>Note: This excludes effects of events which is of universal nature and exceptional.</i></p>	> 50% of the revenue
9	<p>Litigation(s) / dispute(s) / regulatory action(s) with impact that are not in normal course of business</p> <p><i>Note: This excludes routine inspections of regulatory authorities and their preliminary observations.</i></p>	>20% of revenue or net worth whichever is higher.

Sl. No.	Events	Criteria/ Threshold parameter(s) for disclosures if Event impacts
10	Fraud/defaults etc. by directors (other than key managerial personnel) or employees)	1% of revenue or net worth or as may be decided by the Board, from time to time whichever is lower.
11	Options to purchase securities including any ESOP/ ESPS Scheme	As per the requirement of applicable laws.
12	Giving of guarantees or indemnity or becoming a surety for any third party	>25% of net worth of the Company.
13	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	>20% of revenue
14	Events in the immediate subsidiary(ies) which are material to the Company	Exceeding 20% of revenue or net worth of the Company whichever is more.

Apart from the above, the Company shall disclose the Events specified in Para A of Part A of Schedule III and such other disclosures as may be required under the Listing Regulations.

4. **EFFECTIVE DATE**

The said policy shall come into force w.e.f. 1st December 2015.

5. **AMENDMENT**

Any amendment made in the Act, rules made thereunder or Listing Regulations and any other law for the time being in force relating to preservation of documents shall apply mutatis mutandis to this policy. The Board may amend or modify this Policy in whole or in part, from time to time.
