



ASTEC

ASTEC LIFESCIENCES LIMITED

CIN NO: L99999MH1994PLC076236

Registered Office: “Godrej One”, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079, Maharashtra

Email: astecinvestors@godrejastec.com, **Website:** www.astecls.com,

Tel No: 022-2518 8010, **Fax:** 022-2261 8289

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. BACKGROUND

Astec Lifesciences Limited (“the Company”) is committed to being open and transparent with all Stakeholders and in disseminating information in a fair and timely manner. The Company’s securities are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). In terms of compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“the Listing Regulations”), the Board of Directors of the Company has adopted the Policy on Determination of Materiality of events or information (“the Policy”) that warrants disclosure to investors from time to time.

2. OBJECTIVE

The Policy is framed in accordance with the requirements of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other legislations.
- b. To ensure that the information disclosed by the Company is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of Material / Price sensitive information within the context of the Company’s disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.

EFFECTIVE DATE

This Policy is effective from 1st December, 2015.

3. DEFINITION

“Act” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“Board of Directors” or **“Board”** means the Board of Directors of Astec LifeSciences Limited, as constituted from time to time.

“Key Managerial Personnel” mean key managerial personnel as defined in subsection (51) of Section 2 of the Companies Act, 2013;

“Listing Agreement” shall mean an agreement that is to be entered into between recognised Stock Exchange(s) and the Company pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015;

“Material Event” or **“Material Information”** shall mean such event or information as set out in the Schedule or as may be determined in terms of Clause 4 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly;

“Policy” means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time;

“Regulations” mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof;

“Schedule” means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

4. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event.

1. Regulation 30 of the Regulations mandates disclosure of all *deemed* material events to the Stock Exchanges. These events have been specified in Para A of Part A of Schedule III of the Regulations and shall be disclosed as applicable from time-to-time. These events are also listed in Annexure A to the Policy.

2. For disclosure of certain events (as specified in Para B of Part A of Schedule III) to the Stock Exchanges (as reproduced in Annexure B to this Policy) the following criteria shall be considered by the Board for determining whether the events are material or not:

Where the omission of an event or information, is likely to result in:

- a) Discontinuity or alteration of event or information already available publicly; or
- b) A significant market reaction if the said omission came to light at a later date.

This Policy shall also apply to the events to which neither Para A or Para B of Part A of Schedule III applies but have a material effect on the Company in the opinion of the Board of Directors.

5. DISCLOSURE PROCESS

1. Any event purported to be reportable under Regulation 30 of the Listing Regulations shall be informed to the Managing Director / Chief Financial Officer / Company Secretary of the Company on an immediate basis with adequate supporting data / information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Managing Director / Chief Financial Officer / Company Secretary.

2. The Chief Financial Officer / Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this policy.

3. After evaluation, any one of the above mentioned persons shall make disclosure to the Stock Exchange(s).

4. The Company shall use the electronic facilities provided by the Stock Exchange(s) for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.

5. Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure.

6. Regular updates, where relevant, shall be made with relevant explanations.

7. All disclosures shall be available on the website of the Company for a period of 5 (five) years.

6. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company have severally authorised the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company (Authorised Persons) to determine Materiality of any event or information and ensure timely disclosures of the same are made to Stock Exchange(s), subject to the provisions of this Policy. The Authorised Persons are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external Stakeholders as they may deem fit.

Contact details of KMP are as under:

<p>Mr. Saurav Bhala Chief Financial Officer Astec LifeSciences Limited “Godrej One”, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra Email – saurav.bhala@godrejastec.com Phone – 022-2519 6337</p>	<p>Ms. Tejashree Pradhan Company Secretary & Compliance Officer Astec LifeSciences Limited “Godrej One”, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra Email – tejashree.pradhan@godrejastec.com Phone – 022-2519 4420</p>
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7. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force. Any subsequent amendment / modification in the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

8. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; Listing Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

9. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company www.astecls.com. Further, the Company shall disclose on its website all such events or information which has been disclosed to Stock Exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of 5 (five) years and thereafter as per the archival policy of the Company.

ANNEXURE A
EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE GUIDELINES 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. - '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 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 credit 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) re-issue 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 de-listing 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;

6. Fraud/defaults by Promoter or Key Managerial Personnel or by 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 by the Company;
13. Proceedings of Annual and Extra-ordinary General Meetings of the Company;
14. Amendments to Memorandum and Articles of Association of Company, in brief;
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;
16. Re-classification of Promoter as Public Shareholder.

ANNEXURE B
ILLUSTRATIVE LIST OF EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE
GUIDELINES 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 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;
13. Any other information/event 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 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.