



SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD

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**POLICY FOR DETERMINATION OF MATERIALITY OF EVENT OR
INFORMATION FOR DISCLOSURE**

1. Introduction

The Board of Directors (the “Board”) of Sharma East India Hospitals and Medical Research Ltd. (the “Company”) has approved and adopted this policy for determination of materiality of events of information (the “Policy”) for facilitating prompt disclosure of material information to the Stock Exchange and this policy shall come into effect from the date of its approval by the Board of Directors.

This policy has been formulated in terms of the Regulation 30(4) read with Schedule III (as applicable) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and such policy shall also be disclosed on the website of the Company.

2. Objective

The Objective of this Policy is to fix the criteria for determination of materiality of events or information in relation to the Company to ensure timely and adequate disclosure of material events or information to the Stock Exchange, so that the present and potential investors are able to take informed decisions relating to their investment in the Company.

3. Definition

1. “**Board of Directors**” shall mean the board of directors of the listed entity.
2. “**Chief Financial Officer**” shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognized stock exchange(s) in its filing under these regulations.
3. “**Listed Entity**” means an entity which has listed, on a recognized stock exchange(s), the designated securities issued by it or designated securities issued under scheme managed by it, in accordance with the listing agreement entered into between the entity and the recognized stock exchange(s).

4. **“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. **“Key Managerial Personnel”** means Key Managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.
6. **“Specified Authority”** means the Authority for Determining Materiality and Dissemination of Events / Information and for the purpose of Making Disclosures as mentioned in this policy.
7. **“Stock Exchange”** means a recognized stock exchange as defined under clause (f) of section 2 of Securities Contracts (Regulations) Act, 1956.

All the words and expressions used but not defined in this policy, but defined in the SEBI Act, 1992, Companies Act, 2013 the Securities Contract (Regulation) Act, 1956, Depositories Act, 1996 and / or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulation or any statutory modification or re-enactment thereto, as the case may be.

4. Guidelines for Determining Materiality of Events or Information

- (a) the omission of an event or information, which might result in discontinuity or alteration of event or information which is already in public domain;; or
- (b) the omission of an event or information which might result in significant market reaction, if the said omission come to light at a later date; or
- (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.

5. Authority for Determining materiality and Dissemination of Events / Information and for the purpose or Making Disclosures (the Specified Authority)

As prescribed under the Regulation 30 of Listing Regulation, the Board of Directors of the Company has authorized the following Key Managerial Personnel for the purpose of Determining Materiality of an event or information and for the purpose of making disclosures to the Stock-Exchange:

1. Determination of Materiality of Events or Information: The managing Director, Chief Financial Officer and Company Secretary Cum Compliance Officer of the Company are authorized for determination of materiality of events or information.

2. Making disclosures to the Stock-Exchange: Chief Financial Officer and Company Secretary cum Compliance Officer are severally authorised to deal with the dissemination and disclosure of material events / information to the Stock Exchange.

The same shall be disclosed on Company’s Website also.

6. Reporting and Disclosure

Disclosures listed in Annexure A of this policy should be intimated to the Stock Exchanges as soon as reasonably possible and not later than 24 hours from the occurrence of information or event (except certain events arising out of the Meetings of the Board of Directors mentioned in point 4 of Annexure A, which are required to be disclosed to the Exchanges(s) within 30 minutes of the closure of the meeting) without application of guideline for materiality. An explanation for delay will also need to be provided if disclosures are made beyond 24 hours.

Events that have been provided under Annexure B or Annexure C of this policy shall be disclosed to Stock Exchanges upon application of the guidelines for materiality to be determined by the Specified Authority.

Without prejudice to the generality of Annexure (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.

Any event purported to be reportable under Regulation 30 of SEBI Regulations (as enlisted in Annexure A, B, and C) shall be informed to the Specified Authority on an immediate basis upon occurrence, with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the above Annexures but is potentially of price sensitive nature, must also be informed, for further evaluation by the Specified Authority.

The Specified Authority will be responsible for ascertaining the reportability of events considering their nature, applicability of deeming provisions, relevant impact in terms of discontinuity of market information and materiality.

All disclosures as required by the Listing Regulation and other applicable laws, if any, shall be available on the Company's website for a minimum period of 5 years and thereafter as per the Archival Policy for disclosure of events on official website adopted by the Company.

7. Review and Amendment

The Policy shall be reviewed as and when required to ensure that it meets the objective of the Listing Regulation and remains effective.

8. Disclosure/Amendment

This policy as amended from time to time shall be made available at the website of the Company.

The right to interpret/amend/modify this Policy vests in the Board of Directors of the Company.

**Sd/-
Company Secretary**

**Sd/-
Director**

**Sd/-
Managing Director**

Annexure – A

EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE GUIDELINES FOR MATERIALITY (adopted in line with para A of part A of Schedule III of Listing Regulation).

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 listed entity or any other restructuring.

Explanation. - For the purpose of this sub-para, the word 'acquisition' shall mean,-

- a. acquiring control, whether directly or indirectly; or,
- b. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
 - 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;
 - there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub para 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. Outcome of Meetings of the board of directors: The listed entity 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) 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 listed entity 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 listed entity), 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 listed entity 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 listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Annexure – B

EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY (adopted in line with para B of part A of Schedule III of Listing Regulation).

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 listed entity 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 listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
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.

**Sd/-
Company Secretary**

**Sd/-
Director**

**Sd/-
Managing Director**

Annexure – C

(Adopted in line with Para C of part A of Schedule III of Listing Regulation).

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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

**Sd/-
Company Secretary**

**Sd/-
Director**

**Sd/-
Managing Director**