

# **POLICY ON DISCLOSURE OF MATERIAL EVENTS/INFORMATION**

## **1. Statutory Mandate**

The Board of Directors (The “Board”) of SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD. (the “Company”) has adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company with effect from 1 December, 2015 in terms of Clause 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

## **2. Policy Objective and Scope**

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined the policy is intended to define SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD. policy on disclosure of material events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD. in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updating of website of the details of events / information which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

- 3. All** the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued there under, as amended from time to time.

#### 4. Definitions

**Board of Directors or Board**” means the Board of Directors of SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD, as constituted from time to time

**“Company”** means SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD.

**“Independent Director”** means a Director of the Company, not being a whole time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 and the SEBI’s LODR, 2015 entered with the stock exchanges

**“Policy”** means Policy on Disclosure of Material Events/Information.

**“Material Events”** are those that are specified in Para A of Part A of Schedule III of the LODR.

**“Other Events”** are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation(4) of Regulation (30).

**“LODR”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**“Key Managerial Personnel”** (KMP) of the Company includes Managing / Whole-time Directors, Company Secretary, Chief Financial Officer and such other officer as may be prescribed by the Board, who may be authorized individually or collectively to disclose events to Stock Exchange.

#### 5. POLICY

Based on the recommendation of the Board of Directors of the Company, the Company shall determine the events which are classified under different categories to be material and / or other events having a bearing on the performance of the Company and on the share prices of the Company, which needs to be adequately, timely and reasonably disclosed to the stock exchanges as per the time span and details specified against each category as per the LODR Requirements in line with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 placed as ‘Annexure A’ and as amended from time to time.

##### **CATEGORY A**

Events considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within **24 hours** of the decision taken at the Board Meeting are:

1. Acquisition, (including agreement to acquire), Scheme of Arrangement (amalgamation / merger / demerger / restructuring), or sale or disposal of unit(s), division(s) or subsidiary of the Company or any other restructuring .
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 / default by promoters or key managerial personnel (KMP), or the company and arrest of KMP or promoter.
6. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
7. Appointment or discontinuation of share transfer agent.
8. Corporate debt restructuring ("CDR")
9. One time settlement (OTS) with a Bank.
10. Reference to BIFR and winding-up petition filed by any party / creditors 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.
11. Proceedings of annual and extraordinary general meetings of the Company.
12. Amendments to memorandum and articles of association of Company, in brief.
13. Schedule of analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors
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## **CATEGORY B**

Events / Decisions considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within **30 minutes of the closure of the Board Meeting** are:

1. 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;
2. Any cancellation of dividend with reasons thereof;
3. The decision on buyback of securities;
4. The decision with respect to fund raising proposed to be undertaken;
5. Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
6. 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;
7. Short particulars of any other alterations of capital, including calls;
8. Financial results;
9. Decision on voluntary delisting by the Company from stock exchange(s)

## **CATEGORY C**

1. Other Events / Decisions not considered Material in view of the Board of Directors which however, needs to be disclosed to the stock exchanges within **as soon as it is possible when the necessary information is ready to be publicised** which are:
2. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
3. Change in the general character or nature of business brought about by arrangements for strategic, technical manufacturing or marketing tie-up, adoption of new line of business or closure of operations of any unit / division.
4. Capacity addition or new product launch.
5. Awarding, bagging / receiving, amendment or termination of awarded / bagged orders / contracts not in normal course of business.

6. 5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
7. 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.
8. Effects arising out of change in regulatory framework applicable to the company.
9. Litigation / dispute / regulatory action(s) with impact.
10. Options to purchase securities (including any Share Based Employee Benefit (SBEB) Scheme).
11. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Expiry of patents.
14. Change in accounting policy
15. Any other information that may be deemed necessary jointly and severally by the KMPs of the Company who would consider that it is necessary for the holders of the securities of the Company to appraise its position and to avoid the establishment of a false market
16. The Board may in its discretion also authorise the KMPs to disclose such events, information or material that in its wisdom may be necessary for the Members of the exchange to know the information

- ii. The Other Events / Decisions as mentioned in Category C shall be disclosed upon application of the guidelines for materiality referred under **sub-regulation(4) of Regulation (30) given as under:**
  - 1. The omission of an event or information would likely to result in discontinuity or alteration of event or information already available publicly
  - 2. The omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date.
  - 3. In case where the criteria of an event / information does not fall in the first two categories, but still in the opinion of the board of directors are considered material
- iii. The Management shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Members of the Stock Exchanges.

#### **6. Authority for determination of Materiality of events / information**

Director (Finance) is hereby authorized to determine whether the event / information is material or not and in turn about its time line for disclosure based on the category of information as specified above to the stock exchanges, subject to such information being placed prior to or at the immediate Board Meeting held after the said information being made public

#### **7. Website Updating / Updates to stock exchanges**

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any,

## **8. Disclosure of events / information on Subsidiaries**

The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company

## **9. Compliance Officer**

The Compliance Officer for the Purpose of complying with the provisions of LODR, 2015 shall be the Company Secretary of the Company.

## **10. Policy Review**

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Chairman & Managing Director.

## **11. Board's Approval**

This policy was approved by Chairman & Managing Director under the authority of the Board of Directors given at its meeting held on August 8 2019.