

KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

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

The objective of the policy is to ensure timely and adequate disclosure of material events under Regulation 30 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015

CRITERIA FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION

The company shall determine the materiality of an event/information for the purpose of disclosure to stock exchanges by considering the following criteria:

- (a) the event or information is in any manner unpublished price sensitive information;
- (b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- (c) 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; and
- (d) any other event or information which is treated as being material if in the opinion of the Board of Directors of the company.

AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Board of Directors have authorised the Company Secretary to determine the materiality of an event or information and to make necessary disclosures in consultation with the Managing Director of the Company and the Chief Financial Officer or the Board of Directors of the Company, as the case may be.

DISCLOSURE OF EVENTS/INFORMATION

- (a) The company shall disclose all events or information specified in Para A of Part A of Schedule III of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (ANNEXURE-A) as soon as reasonably possible not later than 24 hours from the occurrence of the event/information and in accordance with the said Regulations as may be amended from time to time.

Provided that in the case of events/information specified in Sl. No. (4) in Para A of Part A of Schedule III of of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (Para 4 of the ANNEXURE-A), the company shall disclose the details of such event/information to stock exchange(s) within 30 minutes from the conclusion of the Board meeting.

- (b) The company shall disclose the events specified in Para B of Part A of Schedule III of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (ANNEXURE-A) after determining the materiality of events/information by applying the criteria mentioned herein.
- (c) The company shall disclose any other information which is likely to affect the business of the company and brief details thereof.
- (d) The company shall disclose any other information which is exclusively known to the company which may be necessary for the shareholders to appraise the position of the company and to avoid the establishment of a false market.
- (e) Without prejudice to the above, the company shall disclose such other event/information as may be specified by the Board of Directors from time to time.
- (f) Without prejudice to para (a) and (b) above, any event or information is considered material if the impact of such event/information on the company exceeds 10% of the gross turnover or 10% of the net worth of the company whichever is higher based on the latest audited annual financial statement of the company.

DISCLOSURE ON WEBSITE

The company shall disclose on its website all such material events or information which has been disclosed to stock exchanges under the Listing Regulations and in accordance with this Policy and such disclosure shall be made available on the website of the company for a period of five years and thereafter as per archival policy of the company.

REVIEW

The Board of Directors may review/amend this policy from time to time.

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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) 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).
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 extraordinary 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.

ANNEXURE B

Events which shall be disclosed upon application of the guidelines for materiality referred to in the policy:

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.
