

SHALBY[®]

MULTI-SPECIALTY

HOSPITALS

**Policy on Criteria for Determination
of Materiality of Events / Information**

REGISTERED OFFICE

Shalby Limited

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Near Prahlad Nagar Garden
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1. PREFACE

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”), require every Listed Company to disclose events or information which, in the opinion of the board of directors of a company, are material. Regulations 30 (4) (ii) and 30 (5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, provides that: -

30 (4) (ii) The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.

30 (5) The board of directors of the listed entity shall authorize one or more Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under this regulation and the contact details of such personnel shall be also disclosed to the stock exchange(s) and as well as on the listed entity's website.

Pursuant to the requirements under these Regulations, the Board of Directors of the Company, at its meeting held on December 20, 2016 approved and adopted the “Policy for Determination of Materiality of Events or Information” (the “**Policy**”) and subsequently modified the policy by the Board of Directors on January 28, 2019 effective from April 1, 2019 in view of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. This Policy again modified on March 6, 2021 due to change in Company Secretary and consequent change in authorization to Senior Management Personnel of the Company.

Subsequent modification in the policy pursuant to change in Chief Financial Officer and Key Managerial Personnel of the Company.

2. OBJECTIVE

The objective of this Policy is to serve as a guiding charter to the management to ensure that timely and adequate disclosure of material events or information are made to the investor community by the Company under the Listing Regulations, to enable them to take well informed investment decisions with regard to the securities of the Company.

3. DEFINITIONS

- I. “**Act**” means the Companies Act, 2013 and the rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof;
- II. “**Board of Directors**” or “**Board**” means Board of the Directors of the Company.
- III. “**Company**” means Shalby Limited
- IV. “**KMP**” mean key managerial personnel as defined in sub section (51) of section 2 of the Companies Act, 2013;
- V. “**Listing Agreement**” shall mean an agreement that is entered into between a recognized stock exchange and the Company pursuant to Securities and Exchange Board (Listing

Obligations and Disclosure Requirements), 2015

- VI. **“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 5 of this Policy.
- VII. **“Policy”** means this policy, as amended from time to time
- VIII. **“Rules”** means the rules made under the Companies Act, 2013.
- IX. **“SEBI”** means the Securities and Exchange Board of India.
- X. **“Stock Exchange or Exchanges”** shall mean BSE Limited and National Stock Exchange of India Limited.

4. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

The Company shall disclose to the Stock Exchanges, as applicable from time to time all events which are specified in Para A of Part A of Schedule III of the Regulations (reproduced in Annexure A of this Policy), as amended and applicable from time to time, without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the Listing Regulations.

5. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

The Company shall disclose all such material events pertaining to itself or its subsidiary (ies), specified in Para B of Part A of Schedule III of the Regulations (reproduced in Annexure B of this Policy), subject to application of criteria for materiality. It is clarified that if SEBI modifies the said Schedule III by addition/deletion/modification of events mentioned therein, the revised/new events shall be applicable without modifying the Annexure A and B attached herewith.

6. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Quantitative criteria would be calculated based on audited financial statements of the last audited financial year, and would mean an event where the value involved or the impact:

- I. Exceeds ten per cent of the consolidated gross turnover, or
 - II. Exceeds ten per cent of the consolidated net worth;
- Whichever is lower.

Qualitative criteria would mean an event/ information:

- I. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- II. 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; or
- III. Any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event / information is considered material.
- IV. the event or information is in any manner unpublished price sensitive information;

7. ANY OTHER INFORMATION / EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY

The Company shall disclose major developments that are likely to affect business, e.g.

emergence of new technologies, expiry of trademarks/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.

8. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION

The occurrence of material event/information would be either by the Company’s own accord or not in the hands of the Company. It can be categorized as under:

- I. depends upon the stage of discussion, negotiation or approval; and
- II. in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 8(I), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder’s approval.

In respect of the events under 8(II), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term ‘officer’ shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

9. AUTHORIZATION TO KMP & SENIOR MANAGEMENT PERSONNEL FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE

Pursuant to Regulation 30(5), the Board of Directors has severally authorized the following KMPs of the Company for the purpose of determining materiality of an event or information and for the purpose of making appropriate disclosures to Stock Exchange(s) (“**Authorized Person(s)**”):

The Following officials are authorized to determine materiality of an event or information and making required disclosures to Stock Exchanges as specified under Regulation 30(5).

Sr.	Name of the KMP	Designation	Contact Details	
			Email ID	Telephone no.
A.	For the purpose of determining materiality of an event or information and making disclosures to Stock Exchange(s):			

1.	Dr. Vikram Shah	Chairman and Managing Director	drvikram@shalby.org	+91 79 40203000
2.	Mr. Venkat Parasuraman	Chief Financial Officer	cfo@shalby.org	+91 79 40203000
3.	Mr. Shanay Shah	President	Shanay.shah@shalby.org	+91 79 40203000
B.	For the purpose of making disclosures to Stock Exchange(s):			
1.	Mr. Tushar Shah	AVP & Company Secretary	cs.legal@shalby.in	+91 79 40203000

The materiality of events outlined above is indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Person should exercise his/her own judgment while assessing the materiality of events associated with the Company. In case of any doubt regarding materiality, the Authorized Person may consult the Chairman or any other Director before disclosing the information to the Stock Exchange(s). The Authorized person also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as may deem fit. Contact Details of above KMPs shall be also disclosed to the Stock Exchange(s) and as well as on Company's website.

10. MARKET RUMOUR

The Company shall not comment, affirmatively or negatively, on market rumor. Should a stock exchange request that the Company make a definitive statement in response to a market rumor that is causing significant volatility in the securities of the Company, the authorized KMPs shall consider the matter and content of the Company's response, such as confirming "no corporate development at this time" and shall provide specific and adequate reply on same.

11. 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.

12. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Act or Regulations or any other statutory enactments or rules, the provisions of Regulations / Act 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.

13. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company

Footnote

1. The Board of Directors of Shalby Limited at its meeting held on December 20, 2016 has adopted this Policy first time.
2. The Board of Directors of Shalby Limited at its meeting held on January 28, 2019 has modified this Policy in view of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 notified on May 9, 2018. The said revised Policy is effective from April 1, 2019.
3. The Board of Directors of Shalby Limited at its meeting held on March 6, 2021 has modified this Policy in view of change in Company Secretary and consequent change in authorization to Senior Management Personnel of the Company.

ANNEXURE A

Events which shall be disclosed without any application of the criteria for materiality as specified in sub-regulation (4) of regulation (30) of the Listing Regulations:

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,-
 - 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 -
 - i. 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;
 - ii. 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:
 - I. 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;
 - II. any cancellation of dividend with reasons thereof;
 - III. the decision on buyback of securities;
 - IV. the decision with respect to fund raising proposed to be undertaken
 - V. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - VI. 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;
 - VII. short particulars of any other alterations of capital, including calls;
 - VIII. financial results;
 - IX. 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.
- ¹[(7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- (7B) Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
 - i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
 - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reason other than those provided.
 - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.]
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;
- ²16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
 - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

- e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- m) Any other material information not involving commercial secrets.

1. Inserted by SEBI wef 1.4.2019
2. Inserted by SEBI wef 31.5.2018

ANNEXURE B

Events which shall be disclosed upon application of the criteria for materiality referred sub-regulation (4) of regulation (30) of the SEBI Listing Regulations:

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.
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 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.
