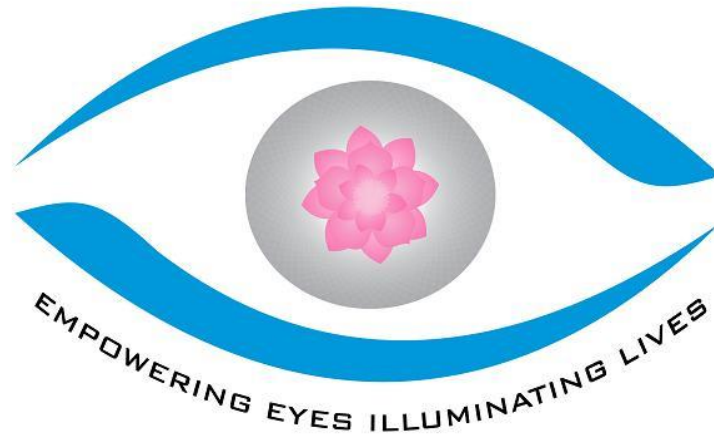




LOTUS



LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Policy for Determination of Materiality



1.0 **Background**

SEBI has notified the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”). This Regulation shall come into force w.e.f. 1st day of December, 2015.

As per Regulation 30(4)(ii) of the said Listing Regulation, every listed entity shall have a policy, approved by its Board of Directors for Determination of Materiality, for making disclosure of events/ information.

2.0 **Definitions and Interpretations**

2.1 **‘Board’** means Board of Directors of the Company.

2.2 **‘Company’** means ‘Lotus Eye Hospital and Institute Limited’.

Unless the context otherwise requires, all the words and expressions used in this Policy shall have meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made / issued thereunder, as amended from time to time.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

3.0 **Objective**

The objective of this policy is to lay down the criteria for Determination of Materiality of events/ information which shall be disclosed to the stock exchanges where the equity shares of the Company are listed (‘the Stock Exchanges’). This Policy also lays down the procedure for archival of information on the website of the Company.

4.0 **Procedure**

This policy is based on the following basic principles:

Materiality: To ensure that all material Events / Information(s) become available for public or in general.

Timeliness: To make disclosure of material events / information promptly without delay in accordance with the policy following the material events / information that are required to be disclosed.



Transparency: To make disclosure of material events / information with sufficient details that boost investor confidence.

5.0 **Material Events/ Information and Criteria**

Events specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events and the company shall make disclosure of such events without application of any material criteria.

Events / information as are mentioned in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed by the company to the Stock Exchanges, if considered material, based on any of the following criteria:

- a) **Quantitative Thresholds:** Where the value involved or the impact of an event / information exceeds 20% (twenty percent) of the Net Worth of the Company. The said thresholds shall be determined on the basis of audited financial statements of the last financial year.
- b) **Qualitative Criteria:** Where the omission of disclosure of such event or information is likely to result in discontinuity or alteration of event/information already available publicly or result in significant market reaction, if the said omission became public at a later date. Breaching of the circuit limit shall be considered as significant market reaction.
- c) **Board Decision:** An event/information if treated as material in the opinion of the Board.

The Company shall also disclose to the stock exchanges:

- i. Any other event/ information viz. major development that is likely to affect the 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 security holders of the Company to appraise its position and to avoid the establishment of false market of such securities.
- ii. Any other event/ information which is available with the Company and indicated in Para A or B of Part A of Schedule III of the Listing Regulations, but which may have material effect on it.

6.0 **Contents and Time for disclosure**

Disclosure shall be made upon occurrence of a material event/ information. The time for disclosure shall be in accordance with the Listing Regulations and other relevant SEBI Circulars. The Company shall provide such details while making a disclosure of events/ information as are



mentioned in the circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 issued by SEBI along with such other details as may required by SEBI or the Stock Exchanges from time to time or as may be prescribed under the Listing Regulations.

7.0 Authorized Person

The Company Secretary and Chief Financial Officer of the Company appointed in terms of the Companies Act, 2013, is authorized to determine the materiality of an event or information based on criteria mentioned in this policy and also authorized to make the necessary disclosures to the Stock Exchanges under Regulation 30 of the Listing Regulations.

Where the above mentioned Key Managerial Personnel/ the Board is not certain about materiality of an event/information, they may refer the matter for an external legal advice/ expert opinion.

The specific roles and responsibilities of the above mentioned Key Managerial Personnel under this policy includes the following:

- i. ensuring compliances with the policy and taking corrective actions for violations of the Policy;
- ii. determining whether any event / information is material, including if there has been any material changes since the last disclosure, and determining time and adequacy of disclosures to be made, if such event/ information is material;
- iii. making necessary disclosures to the Stock Exchanges with requisite details;

The Key Managerial Personnel of the Company are severally authorized (suo motto or on request of any stock exchange) to confirm/ deny any reported event/ information to the Stock Exchanges.

8.0 Disclosure

The Company shall simultaneously disclose on its website on (www.lotuseye.org) all such events or information which has been disclosed to the Stock Exchanges under this policy or under the Listing Regulations, and such disclosures shall remain hosted on the website of the Company for minimum period of five years and thereafter as per the following archival policy of the Company:

Archival Policy - Disclosure pertaining to last five financial years and current financial year shall remain hosted on the website for easy viewing/ printing, preferably under different urls (Uniform Resource Locator). Thereafter depending on the nature, materiality, impact and relevance of the event/ information, the relevant disclosures can continue to remain hosted on the Company's website as may be decided by the Chief Financial Officer or Company Secretary from time to time. All other disclosures beyond the said period may be placed under a single consolidated url.



9.0 Review

The Board may review this policy as and when it deems appropriate. This Policy is being formulated keeping in mind the applicable laws, rules, regulations and standards, allowing or relaxing what was previously not allowed under any laws, rules, regulations and standards, then this policy shall be deemed to have been amended to the extent of such amendment. Also, if due to subsequent amendments in the laws, this policy or any part hereof becomes inconsistent with the law, the provisions of the law shall prevail and this policy shall be deemed to be amended to that extent.

This Policy for Determination of Materiality of any Event / Information has been approved by the Board of Directors at the Board Meeting held on 13th August, 2016 and shall be effective from the date of its approval. This Policy shall be hosted on the website of the Company.

**Place: Coimbatore
Date:**

**For and on behalf of Board of Directors
Sd/-
Chairman cum Managing Director**
