

MATERIALITY POLICY FOR DISCLOSURE IN THE OFFER DOCUMENTS

Introduction

This document has been formulated to define the policy for identification of (i) outstanding material litigation involving Jupiter Life Line Hospitals Limited (the “**Company**”), its subsidiaries (“**Subsidiaries**”), its directors (“**Directors**”) and/or its promoters (“**Promoters**”), as applicable (collectively, the “**Relevant Parties**”); (ii) the Group Companies of the Company; and (iii) the material creditors of the Company (together, the “**Policy**”), in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”).

This Policy shall be effective from the date of its approval by the Board of Directors.

In this Policy, the term “**Offer Documents**” shall mean the Draft Red Herring Prospectus, the updated draft red herring prospectus, the Red Herring Prospectus and the Prospectus (along with any addenda or corrigenda thereto), as applicable, to be filed with the Securities and Exchange Board of India (“**SEBI**”), the Registrar of Companies, Maharashtra at Mumbai and the stock exchanges where the equity shares of the Company are proposed to be listed, and any other regulatory authorities, as applicable; and the term “**Restated Consolidated Financial Information**” shall mean the restated consolidated financial statements of the Company, as disclosed in the relevant Offer Document, together with the summary statement of significant accounting policies, and other explanatory information thereon derived from the relevant audited consolidated financial statements, prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 (read with the Companies (Indian Accounting Standards) Rules, 2015, as amended) and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time.

I. Policy for identification and disclosure of outstanding litigations:

In terms of the SEBI ICDR Regulations, the Company is required to disclose the following pending litigation(s) involving the Relevant Parties in the Offer Documents:

- (i) All criminal proceedings;
- (ii) All actions by statutory and/or regulatory authorities;
- (iii) Taxation proceedings - separate disclosures regarding claims related to direct and indirect taxes, in a consolidated manner disclosing the details of the number of such cases and total amount involved, provided that if the amount involved in any such claim exceeds the materiality threshold as mentioned in point (a) below, such matter(s) shall be disclosed on an individual basis; and
- (iv) Other material outstanding litigations- as per the policy of materiality defined by the Board of Directors and disclosed in the Offer Documents.

Additionally, in terms of the SEBI ICDR Regulations, the Company is required to disclose: (a) any disciplinary action (including penalties imposed) and any outstanding actions by SEBI or any of the stock exchanges against any of the Promoters in the five financial years preceding the date of the relevant Offer Document; and (b) outstanding litigations involving any of the Group Companies, which may have a material impact on the Company, as applicable.

For the purposes of determining outstanding material litigations as mentioned in point I.(iv) above, the following shall be considered “material” for the purposes of disclosure in the Offer Documents:

- a) all pending civil litigation/arbitration proceedings involving the Relevant Parties where the aggregate monetary claim by or against is equal to or exceeds **1% of the consolidated profit after tax derived from the Restated Consolidated Financial Information** for the most recent completed financial year as per the Restated Consolidated Financial Information; or
- b) any such matter involving the Relevant Parties, wherein the monetary liability of the litigation is not quantifiable, or which does not fulfil the threshold as specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company, in the opinion of the Board of Directors; or
- c) where the decision in one matter is likely to affect the decision in similar matters such that the cumulative amount involved in such matters exceeds the materiality threshold as specified in (a) above, even though the amount involved in an individual matter may not exceed the materiality threshold as specified in (a) above.

Further, pre-litigation notices received by the Relevant Parties or Group Companies from third parties (excluding notices issued by statutory/regulatory/ governmental/ tax authorities or notices threatening criminal action against the Relevant Parties) shall not be considered as a material litigation for the purposes of point I (iv) above, until such time the Relevant Party or Group Company is impleaded as a party in proceedings before any judicial/arbitral forum. Furthermore, first information reports involving the Relevant Parties shall be disclosed in the Offer Documents.

II. Policy for identification of Group Companies

In terms of the SEBI ICDR Regulations, the term ‘group companies’ includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which the issuer company has had related party transactions during the period for which financial information is disclosed in the offer document, as covered under the applicable accounting standards, and (ii) any other companies as considered material by the board of directors of the issuer company.

Accordingly, for (i) above, all such companies (other than the Promoters and the Subsidiaries) with which there were related party transactions during the period covered in the Restated Consolidated Financial Information, as covered under the applicable accounting standards, shall be considered as Group Companies.

For the purposes of point (ii) above, the policy on identification of any other ‘material’ companies for consideration as ‘Group Companies’ (other than those covered under the schedule of related party transactions as per the Restated Consolidated Financial Information), is as set out below.

For the purpose of disclosure in the Offer Documents, all such companies (other than the Promoters, Subsidiaries and companies categorized under (i) above) shall be considered material and will be disclosed as a ‘Group Company’ in the Offer Documents if (a) such company is a member of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR

Regulations; and (b) the Company has entered into one or more transactions with such company during the last completed Fiscal or relevant stub period, if applicable, for which Restated Consolidated Financial Information are being included, which individually or cumulatively in value exceeds 10% of the consolidated revenue from operations of the Company for the last completed Fiscal as per the Restated Consolidated Financial Information.

Information about Group Companies identified based on the above approach shall be disclosed in the Offer Documents in accordance with the SEBI ICDR Regulations.

III. Policy for identification of material creditors

In terms of the SEBI ICDR Regulations, the Company shall make the following disclosures in the Offer Documents for outstanding dues to creditors:

- (i) based on the policy on materiality adopted by the Board of Directors and as disclosed in the Offer Documents, details of the Company's material creditors including the consolidated number of creditors and the aggregate amount involved; and
- (ii) consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved.

Additionally, complete details about outstanding overdues to material creditors along with the name and amount involved for each such material creditor (as per point III (i) above) shall be disclosed on the website of the Company with the relevant web link included in the Offer Documents, as applicable.

For the purposes of identification of material creditors, in terms of point III (i) above, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Offer Documents, if the amount due to such creditor by the Company is equal to or is in excess of 5% of the consolidated trade payables of the Company as at the end of the most recent period covered in the Restated Consolidated Financial Information.

General

It is clarified that the Policy is solely for the purpose of disclosure requirements in Offer Documents prescribed under the SEBI ICDR Regulations and should not be applied towards any other purpose.

The Policy shall be without prejudice to any disclosure requirements which may be prescribed by SEBI and/ or any other regulatory, judicial, quasi-judicial, governmental, administrative or statutory authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the Offer Documents, or disclosures that may arise from any investor or other complaints.

The Policy shall be subject to review/changes as may be deemed necessary and in accordance with applicable law from time to time.

All capitalised terms used but not specifically defined in this Policy shall have the same meaning as ascribed to them in the Offer Documents.