



करे जिंदगी की बात, हमारे साथ  
SONI GROUP OF HOSPITALS

## *Policy on Related Party Transactions*

# ***SONI MEDICARE LIMITED***

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## ***Policy on Related Party Transactions***

### **1. Introduction**

This policy has been adopted by the Board of Directors of Soni Medicare Limited (the Company), on the recommendation of the Audit Committee of the Company, to ensure high standards of Corporate Governance while dealing with Related Party (ies) (as defined below).

This policy shall be guided by the Framework Governing Related Party Transactions and has been drafted with an objective of ensuring compliance with the provisions pertaining to Related Party Transactions in the Companies Act, 2013 (the Act) read with the Rules framed there under and Revised clause 49 of listing agreement.

### **2. Purpose**

Related Party Transactions (“RPTs”) are appropriate if they are in the interest of the Company and its stakeholders. The purpose of the RPT Policy is to authorize, monitor, regulate and report contracts, arrangements and transactions between the Company and a related party.

This Policy lays down the process to be adopted by the Company for identification of the related parties, approval of the RPTs and any subsequent modification thereof. The Policy also lays down the reporting requirements of RPTs. The RPT Policy is prepared to comply with the Regulations.

### **3. Scope and Applicability**

This Policy applies to all the transactions of the Company with its related parties including changes, if any, in related parties from time to time.



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### **4. Definitions**

For the purpose of this policy, following definitions shall apply:

“**Arm’s Length Transaction**” means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest.

“**Associate**” means a Company as defined under section 2(6) of the Companies Act, 2013 and as defined by Accounting Standard (AS) 23, “Accounting for Investments in Associates in Consolidated Financial Statements” and by Accounting Standard (AS) 18, “Related party disclosures”.

“**Audit Committee or Committee**” means the Committee of the Board formed under section 177 of the Act and Revised clause 49 of listing agreement.

“**Control**” means control as defined in Section 2 (27) of the Act and shall have the same meaning as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2015.

“**Ordinary Course of Business**” means a transaction which is carried out in the normal course of business and falls within the perimeter of the ordinary exercise of operational activities or related financial activities.

“**Material Related Party Transactions**” will have the same meaning as defined in SEBI Revised clause 49 of listing agreement

“**Relative**” in relation to a related party shall have the same meaning assigned to in Section 2(77) of the Act.

“**Policy**” means Related Party Transaction Policy.

“**Related Party**” will have the same meaning as defined under Section 2(76) of the Act and/or the SEBI Revised clause 49 of listing agreement.



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Reference and reliance may be placed on the clarification issued by the Ministry of the Corporate Affairs, Government of India and Securities and Exchange Board of India and other Authorities from time to time on the interpretation of the term “Related Party”.

“**Related Party Transactions (RPT)**” means all transactions between the Company on one hand and one or more related party (ies) on the other hand including contracts, arrangements and transactions as envisaged in Section 188(1) of the Act and/or Revised clause 49 of listing agreement

“**Key Managerial Personnel (KMP)**” means -

- (a) The Chief Executive Officer or the Managing Director or the Manager and in their absence, the Whole-Time Director;
- (b) The Company Secretary;
- (c) The Chief Financial Officer; and
- (d) Any other person appointed as the KMP by the Board of Directors of the
- (e) Company or as prescribed by the applicable Regulations.

“**Board of Directors or Board**” means the collective body of the Directors of the Company.

“**Chief Executive Officer (CEO)**” means an officer of a company, who has been designated as such by it.

“**Chief Financial Officer (CFO)**” means a person appointed as the Chief Financial Officer of the Company.

“**Company Secretary (CS)**” means a Company Secretary as defined in Section 2(24) of the Act.

“**Managing Director**” means Managing Director as defined in Section 2(54) of the Act.

“**Whole-time Director**” means Whole-time Director as defined in Section 2(94) of the Act.

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“**Transaction**” shall be construed to include single transaction or a group of transactions in a contract.

## **5. Policy**

In terms of this RPT Policy, either the Company or the persons authorized, to act on behalf of the Company, by the Board in accordance with this Policy may enter into any RPTs.

The Board on recommendation of the Audit Committee will lay down and approve a detailed procedure to be complied with to implement the RPT Policy.

The RPT Policy will be reviewed, approved and amended from time to time by the Audit Committee and the Board of Directors of the Company.

### **5.1 Identification of Related Parties**

On an annual basis, the CS shall request a disclosure from each Director and each KMP within the meaning of Section 2(76), 184 and 189 of the Act and Clause 49 of the Equity Listing Agreement in the prescribed format under those respective regulations.

Directors and KMPs would be responsible for promptly notifying the CS in case of any changes/updates occurring in the related parties and in respect of details pertaining to such related parties declared by them.

Any individual appointed/elected as a Director or KMP shall be responsible to promptly complete and submit to the CS, the declaration in the prescribed format referred above.

### **5.2 Review and Approval of Related Party Transactions**

The Company prefers to receive notice of any potential Related Party Transaction in advance so that the Audit Committee / Board have sufficient time to review information regarding the proposed transaction.



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### **5.2.1 Audit Committee**

Every Related Party Transaction not require to prior approval of the Audit Committee as company take approval of Audit Committee in beginning of every F.Y. for Related Party Transaction held during such F.Y. However, the Audit Committee satisfies that Related Party Transaction is on the Arm's Length basis.

Any member of the Audit Committee who has a potential conflict of interest in any Related Party Transaction will not remain present at the meeting or shall abstain from discussion and voting on the approval of such Related Party Transaction.

To review the Related Party Transaction, the Audit Committee shall be provided with necessary information, to the extent relevant, with respect to actual or potential Related Party Transactions and/or prescribed under the Act and the Listing Agreement.

While considering any Related Party Transaction, the Audit Committee shall take into account all relevant facts and circumstances including the terms and business purpose of such Transaction, the benefits to the Company and to the Related Party, whether such Transactions includes any potential risks that may arise as a result of or in connection with the proposed Transaction and any other relevant matters.

### **5.2.2 Board of Directors**

If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case decides to review any such matters or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction. The considerations set forth above, under Paragraph 5.2.1, shall apply to the review and approval of the matter by the Board of Directors, with such modifications as may be necessary or appropriate under the circumstances.



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Any member of the Board who has a potential conflict of interest in any Related Party Transaction will not remain present at the meeting or shall abstain from discussion and voting on the approval of such Related Party Transaction.

### **5.2.3 Share Holders**

All the Material Related Party Transactions shall require approval of the shareholders through special resolution.

All the transactions, other than the Material Related Party Transactions, with the Related Parties which are not in the ordinary course of business or at Arm's Length basis shall also require the approval of the shareholders through special resolution, as per the requirements of the Act, as amended from time to time.

The Related Parties, as required by the applicable regulation, shall abstain from voting on such resolution.

### **5.2.4 Effect on Related Party Transaction not approved under this policy**

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this policy prior to its consummation, the matter shall be reviewed by the Audit Committee and the Audit Committee shall consider all relevant facts and circumstances regarding the Related Party Transaction and evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction and the Company shall take such actions as the Audit Committee deems appropriate under the circumstances.

## **6. Disclosure**

The policy shall be published on Soni Medicare Ltd website [www.sonihospitals.com](http://www.sonihospitals.com) and web link of the policy shall be disclosed in the Company's Annual Report.





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The details of Related Party Transactions, as required under the Companies Act, 2013, shall be disclosed in the Directors' Report and the details of all material transactions with Related Parties shall be disclosed on a quarterly basis along with the compliance report on corporate governance filed with the stock exchanges where the securities of the Company are listed.

### **7. Compliance with RPT Policy**

- Every person associated with RPT shall be accountable for complying with this RPT Policy that may be in force from time to time.
- Director or KMP or any other employee, who had entered into or authorized the contract or arrangement in violation of the RPT Policy and RPT Framework, shall be guilty of noncompliance.
- In case of breach of this Policy, Audit Committee and/or Board of Directors may initiate appropriate action against the person/s responsible.
- A person shall not be eligible for appointment as a Director of a Company if he has been convicted of an offence under Section 188 of the Act in respect of RPT at any time during the preceding five years.

### **8. Administrative Measures**

The Audit Committee of the Company, subject to supervision of the Board, shall interpret and administer this Policy. They shall also be the Competent Authority for investigating and taking appropriate actions / steps for prevention or remedy of any breach and / or defaults in complying with this Policy. Any disciplinary action taken by the Audit Committee shall be in addition to the penal provisions of the Regulations.



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### **9. Amendments to the Policy:**

- The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision /amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.
- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

This Policy will be communicated to all operational employees and other concerned persons of the Company and shall be placed on the website of the company at [www.sonihospitals.com](http://www.sonihospitals.com)