

ADVANI HOTELS & RESORTS (INDIA) LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

PREFACE

The Board of Directors (the “Board”) of Advani Hotels & Resorts (India) Limited (the “Company”) has adopted the following policy and procedures with regard to determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (The Policy). This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

PURPOSE OF THE POLICY

The purpose of this Policy is to determine materiality of events and information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make disclosure of events / information specified in Para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

The Company shall consider the criteria as specified in clause (i) of sub-regulation 4 of Regulation 30 of the Listing Regulations for determination of materiality of events / information.

DISCLOSURE OF EVENTS OR INFORMATION

A. The following events / information specified in Para A of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality:

i. 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,-

a. acquiring control, whether directly or indirectly; or,

b. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -

- 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;

- 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.

ii. 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.

iii. Revision in Rating(s).

iv. 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:

- 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 listed entity from stock exchange(s).

v. 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.

vi. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

vii. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.

viii. Appointment or discontinuation of share transfer agent.

ix. Corporate debt restructuring.

x. One time settlement with a bank.

xi. Reference to BIFR and winding-up petition filed by any party / creditors.

xii. 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.

xiii. Proceedings of Annual and extraordinary general meetings of the listed entity.

xiv. Amendments to memorandum and articles of association of listed entity, in brief.

xv. Schedule of Analyst or Institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

B. The following events / information specified in Para B of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges, if considered material:

i. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.

ii. 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).

iii. Capacity addition or product launch.

iv. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.

- v. 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.
- vi. 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.
- vii. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
- viii. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- ix. Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of listed entity.
- x. Options to purchase securities including any ESOP/ESPS Scheme.
- xi. Giving of guarantees or indemnity or becoming a surety for any third party.
- xii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

As per Regulation 30(3) & Schedule III:

The Company shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified in below sub-regulation

The Company shall consider the following criteria for determination of materiality of events/information:

(a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

(b) 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;

(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an 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.

AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Company Secretary & Compliance Officer of the Company shall have the authority to determine Materiality of any event or information and ensure disclosures of the same are made to stock exchange(s), subject to the provisions of this Policy.

Contact details:

Company Secretary

Advani Hotels & Resorts (India) Ltd

18A & 18B, Jolly Maker Chambers II

Nariman Point, Mumbai – 400 021

Email – cs.ho@advanihotels.com

Phone- 022 – 2285 0101

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.

SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 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.

DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company. This Policy shall also be hosted on Company's intranet.