



VARCA, GOA

**ADVANI HOTELS AND RESORTS (INDIA) LIMITED**  
**Policy for determination of materiality of events or information**

[Pursuant to Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

---

**A. Preface**

Equity shares of Advani Hotels and Resorts (India) Limited (the “**Company**”) are traded in India on the BSE Limited and the National Stock Exchange of India Limited (“**Stock Exchange(s)**”). This policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India (“**SEBI**”) under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), with respect to disclosure of material events or information (the “**Policy**”).

Pursuant to the Listing Regulations, issued on September 2, 2015, the board of directors of the Company (the “**Board**”) approved the “Policy for determination of materiality of events or information” in its meeting held on November 14, 2015. This Policy has been updated based on the amendments made to Regulation 30 and Schedule III of the Listing Regulations and the Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 issued by SEBI, dated July 13, 2023 (“**SEBI Disclosure Circular**”).

The Board shall review and if required, may amend this Policy from time to time.

Words and expressions used but not defined in this Policy, shall have the same meaning as ascribed to them in the Listing Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013 (“**Companies Act**”), rules and regulations made thereunder and/or any other law applicable to the Company for the time being in force.

**B. Purpose of the Policy**

The purpose of this Policy is to determine materiality of events or information which can be promptly escalated and reported to the person authorised in this Policy, for determining the materiality of the said event or information and to ensure that the Company makes the disclosure of such events or information to the Stock Exchanges. All provisions of Regulation 30 read with Schedule III of the Listing Regulations shall hereby be deemed to be incorporated in this Policy, by reference.

### **C. Disclosure of events or information**

(a) *Events or information which is material in the opinion of the Board*

The Company shall make disclosure of events or information which, in the opinion of the Board, is material.

(b) *Events or information which are deemed to be material*

The Company shall make disclosure of events or information as specified in Para A of Part A of Schedule III to the Listing Regulations ("**Para A Events**") without any application of the guidelines for materiality as specified in sub-regulation (4) of Regulation 30 of the Listing Regulations.

Details to be provided to the Stock Exchanges while disclosing Para A Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

(c) *Events or information which are based on application of guidelines for materiality*

The Company shall make disclosure of events or information as specified in Para B of Part A of Schedule III to the Listing Regulations ("**Para B Events**") subject to application of the guidelines for materiality, as specified in clause (i) of sub-regulation 4 of Regulation 30 of the Listing Regulations.

### **D. Guidelines for determination of materiality of events or information**

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; or
- (c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
  - (i) 2% (two per cent) of turnover, as per the last audited consolidated financial statements of the Company;
  - (ii) 2% (two per cent) of net worth as per the last audited consolidated financial statements of the Company (except in case the arithmetic value of the net worth is negative);
  - (iii) 5% (five percent) of average of absolute value of consolidated profit or loss after tax, as per the last 3 (three) audited consolidated financial statements of the Company.

- (d) In case where the criteria specified in (a), (b) and (c) above is not applicable, an event or information may be treated as being material if in the opinion of the Board, the event or information is considered material.

In terms of the SEBI Disclosure Circular, the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

Details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

**E. Identifying potential material event and authorisation for the purpose of determining materiality of an event or information and for the purpose of making disclosure to stock exchange**

In order to ensure that the Company complies with the disclosure obligations under Regulation 30 of the Listing Regulations, the Board has established an internal system for reporting any event or information which may require disclosure so that the event or information can be properly assessed, and decision can be made regarding its disclosure to the Stock Exchanges.

Under the system, Chief Finance Officer, Vice President, Head of the departments and other senior management personnel who are responsible for relevant areas of the Company's operations ("**Responsible Officer(s)**") must report to the Chairman & Managing Director or Company Secretary & Compliance Officer of the Company any event or information which may possibly be material or any event or information for which the Responsible Officer is unsure of its materiality. The event or information should be reported immediately after a Responsible Officer becomes aware of it.

On receipt of communication of potential material event or information, the Company Secretary & Compliance Officer will:

- (a) Review such event or information and take necessary steps to verify its accuracy;
- (b) Assess whether such event or information is required to be disclosed to the Stock Exchanges under the Listing Regulations;
- (c) Report to the Chairman & Managing Director that the event or information is material and requires disclosure under Regulation 30 of the Listing Regulations. Where the Chairman & Managing Director or Company Secretary & Compliance Officer is not certain about materiality of event or information, they may refer the matter for external legal advice; and
- (d) The procedure to be followed in relation to the lodgement of announcement of material event or information is as follows:
  - (i) *Prepare draft announcement to the Stock Exchange(s):* If the event or information is material, the Company Secretary & Compliance Officer

shall prepare draft announcement which is required to be disclosed to the Stock Exchange(s) which shall be factual, expressed in clear manner and in compliance with the requirements of the SEBI Disclosure Circular and thereafter the Company Secretary & Compliance Officer shall obtain approval of the Chairman & Managing Director on the draft announcement.

- (ii) *Disclosure to Stock Exchanges:* The Company Secretary & Compliance Officer on behalf of the Company shall make disclosure of such event / information to the Stock Exchange(s).
- (iii) *Post disclosure on website:* After making disclosure to the Stock Exchange(s), the Company Secretary & Compliance Officer shall arrange to host such event / information on the website of the Company. All the announcements made under this Policy shall be hosted on the website for a minimum period of 5 (five) years and thereafter as per the “Archival Policy” of the Company.

#### **F. Guidelines on occurrence of an event or information for disclosure**

The occurrence of material events or information could be either emanating from within or outside the Company’s own accord or for reasons not in the hands of the Company. It can be categorised as under:

- (a) depending upon the stage of discussion, negotiation or approval; and
- (b) in case of natural calamities disrupting operations etc., it would depend upon the timing when the Company became aware of the event or information.

In respect of the events under F(a) (*above*), the events or information can be said to have occurred upon receipt of approval of the Board, for example, further issue of capital by rights issuance and in certain events or information after receipt of approval of the Board and the shareholders of the Company (“**Shareholders**”).

However, considering the price sensitivity involved, for certain events, for example, decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board, pending Shareholders’ approval. Approvals other than final approvals, such as in-principle approvals, exploratory approvals etc. given by the Board will not require disclosure under this Policy.

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

## **G. Timelines for disclosure**

All events or information identified as material in line with the Listing Regulations and under this Policy shall be disclosed as soon as reasonably possible and, in any case, not later than the following:

- (a) For all material events or information for which decision is taken in meeting of the Board, within 30 (thirty) minutes from the closure of the meeting of the Board;
- (b) For all material events or information emanating from within the Company, within 12 (twelve) hours from the occurrence of the event or information; and
- (c) For all material events or information relating to the Company but emanating from outside the Company, within 24 (twenty four) hours from the occurrence of the event or information.

In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved or closed, with relevant explanations.

## **H. Communication of this Policy**

This Policy shall also be posted on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to Stock Exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of 5 (five) years and thereafter as per the Policy for Preservation of Documents and the Archival Policy of the Company.

## **I. General**

The Chairman & Managing Director and / or the Company Secretary & Compliance Officer are severally authorised to amend any provision of this Policy to give effect to any change / amendment notified by the SEBI or any other regulatory authority, from time to time. Such change(s) / amendments in the Policy shall be subject to approval of the Board. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force, and this Policy does not, and shall not, in any manner dilute any of the requirements set out under Regulation 30 read with Schedule III of the Listing Regulations. In the event of any conflict between the provisions of this Policy and the Listing Regulations, as amended from time to time, the Listing Regulations shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

In case any provision of this Policy is contrary to or inconsistent with the provisions of the Listing Regulations and/ or any other applicable law for time being in force, the latter shall prevail.

**J. Amendment**

Without prejudice to the provisions of Para I above, any change in the Policy shall be approved by the Board . The Board shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

**K. Contact Details**

Any questions or clarifications about the Policy or disclosures made by the Company should be referred to the [Company Secretary & Compliance Officer], who is in charge of administering, enforcing and updating this Policy.

This Policy is approved and adopted by the Board in its meeting held on August, 10, 2023 and shall be effective immediately.