

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. OBJECTIVE

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

EFFECTIVE DATE

This Policy is effective from December 1, 2015. The Revised Policy is effective from May 07, 2024.

2. DEFINITION

“Act” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“**Board of Directors**” or “**Board**” means the Board of Directors of Kamat Hotels (India) Limited, as constituted from time to time.

“Company” means Kamat Hotels (India) Limited.

“**Key Managerial Personnel**” mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013;

“Listing agreement” shall mean an agreement between a recognized stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015

“Listing Regulations” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

“Material Event” or “Material Information” shall mean such event or information as determined in terms of Clause 3 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.

“Material Subsidiary” shall mean any subsidiary of the Company which is or has been determined as a material subsidiary as per the provisions of the Listing Regulations.

“Policy” means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

3. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Materiality must be determined on a case-to-case basis depending on the material facts and circumstances pertaining to the information or event. The Company shall consider the following criteria for determination of materiality of events/ information:

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. 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
- iii. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - a. two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - b. two percent 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;
 - c. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company;
- iv. in case where the criteria specified in (i), (ii) and (iii) is not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors, the event/information is considered material.

4. DISCLOSURES OF EVENTS OR INFORMATION

- a. The SEBI (LODR) Regulations have divided the events that need to be disclosed as follows:

Category 1: Events which have to necessarily be disclosed without applying any test of materiality. The events indicated in Para A of Part A of Schedule III of the SEBI (LODR) Regulations.

Category 2: Events which should be disclosed, upon application of the guidelines for materiality as stated in the above in clause C. These events are indicated in Para B of Part A of Schedule III of the SEBI (LODR) Regulations.

Category 3: Any other information or event viz. major development that is likely to affect the business (for example, 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 exclusively known to the Company which may be necessary to enable the securities holders of the Company to appraise its position and to avoid establishment of a false market in such securities.

Category 4: Without prejudice to the generality of Categories 1, 2, and 3 above, any other event or information as may be specified by the SEBI from time to time.

- b. The Company shall disclose all events or information with respect to its Material Subsidiaries.
- c. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

5. TIMELINE FOR THE DISCLOSURE

The Company shall first disclose to the stock exchange(s) all events or information which are material as soon as reasonably possible and, in any case, not later than the following:

- i. thirty minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken.
- ii. twelve hours from the occurrence of the event or information in case the event or information is emanating from within the Company.
- iii. twenty-four hours from the occurrence of the event or information in case the event or information is not emanating from within the Company.

Provided that if the Company does not comply with the timelines specified above, the Company shall, along with the disclosure, also submit to the stock exchanges an explanation for the delay.

Provided further that disclosure with respect to events for which timelines have been specified in Part A of Schedule III of SEBI LODR shall be made within the prescribed timelines.

6. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Executive Chairman and Managing Director and Chief Financial Officer of the Company shall severally have the authority to determine materiality of any event or information and they along with the Company Secretary of the Company would ensure that disclosures of the same are made to stock exchange (s), subject to the provisions of this policy.

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) of this Policy 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.

7. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Regulations/ Companies Act, 2013/ any other statutory enactments, rules, the provisions of such Listing Regulations/ Companies Act, 2013/ such other statutory enactments or rules shall prevail over this Policy and such part(s) of the Policy which is inconsistent with the Listing Regulations/ Companies Act, 2013/ any other statutory enactments, rules, shall be deemed to have severed from the Policy and the rest of the Policy shall remain in force.

8. 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 is approved by the Board of Directors of the Company at its meeting held on 7th November, 2015. The revised Policy has been approved by the Board of Directors at its meeting held on 7th May, 2024.