

BENARES HOTELS LIMITED
POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES OF EVENTS OR
INFORMATION

I. BACKGROUND

Benares Hotels Limited (the Company) is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on the BSE Limited (BSE), and it must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations). The Listing Regulations mandate listed entities to formulate a Policy for determining materiality of events or information that warrant disclosure to investors. It is in this context that the Policy on Determination of Materiality for disclosures ("Policy") is being framed and implemented.

II. DEFINITIONS

In this Policy, unless the context otherwise requires:—

- a. "Board of Directors" shall mean the Board of Directors of Benares Hotels Limited
- b. "Chief Financial Officer" or "Head of Finance", by whatever name called, shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognised stock exchange(s) in its filing under the Listing regulations;
- c. "Key Managerial Personnel" means the CEO, CFO and the Company Secretary of Benares Hotels Limited.
- d. All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

III. OBJECTIVE

The Policy sets out the guidelines for identification of events or information within the Company which are deemed to be material in the opinion of the Board of Directors. It shall ensure timely and adequate disclosure of material events pursuant to the above legal provisions in order to enable investors to make well-informed investment decisions.

IV. AUTHORIZED PERSONS FOR DISCLOSURE:

The Board of Directors of the Company have authorized the Key Managerial Personnel (KMP) as defined under clause II(c) ("Authorized Persons") to determine the materiality of an event or information and to make appropriate disclosure on a timely basis.

The Authorized Persons are also empowered to:

- seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.
- call for information from all its internal stakeholders including from its subsidiaries.

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved / closed, with relevant explanations.
- To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such event or information.

V. TYPE OF INFORMATION

The information covered by this Policy shall include information related to the Company's business, operations, or performance which has a significant effect on investment decisions.

Events or information specified in Para A of Part A of Schedule III of the Listing Regulations are required to be disclosed irrespective of application of any quantitative or qualitative materiality thresholds as these are "deemed" to be material and are given as Annexure-1 to this Policy. Events or information that are to be disclosed based on materiality principle are specified in Annexure 2 to this Policy.

VI. GUIDELINES FOR MATERIALITY ASSESSMENT

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information. The following criteria will be applicable for determination of materiality of event or information:

- a) The omission of an event or information which is likely to:
- result in a discontinuity or alteration of an event or information already available publicly; or
 - result in significant market reaction if the said omission came to light at a later date;

b) In the opinion of the Board of Directors of the Company, the event or information ought to be disclosed

The following quantitative criteria will be applicable for determining materiality of event or information:

- Where the value involved or the impact exceeds 10% of the gross turnover or 10% of the net worth, whichever is lower
- The above thresholds shall be determined on the basis of the last Annual Audited Consolidated Financial Statements of the Company.

Only such impact which is direct, reasonably perceivable and not remote, quantifiable and having a short term horizon of 1 to 2 years, shall be considered.

The Authorized Persons may apply qualitative criteria for deeming an event/information to be material or not in cases where aforementioned quantitative criteria cannot be ascertained/applied reasonably.

VII. GUIDANCE ON TIMING OF AN EVENT OR INFORMATION

The Company may be confronted with the question as to when an event / information can be said to have occurred.

In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc, the answer to the above question would depend upon the timing when the Company became aware of the event/information

- In the former, the events / information can be said to have occurred upon receipt of approval of the Board of Directors. However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.
- In the latter, the events/information can be said to have occurred when the Company becomes aware of the events/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 duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

VIII. DISCLOSURES

Any event or information falling under Annexures 1 and 2 shall be informed to the Authorized Person(s) promptly upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchange.

Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed for further evaluation, to the Authorized Persons. After evaluation, the Authorized Persons shall if required issue a suitable disclosure to the Stock Exchanges.

IX. POLICY REVIEW

The Authorized Persons may review the Policy from time to time. Material Changes to the Policy will need the approval of the Board of Directors. Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail. Any amendments to the Listing Regulations shall mutatis mutandi be deemed to have been incorporated in this Policy

X. WEBSITE

As per the provisions of the Listing Regulations, the Policy shall be disclosed 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 five years and thereafter as per the archival policy of the Company.

XI. CONTACT DETAILS

Any questions or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary at the undermentioned address:

Vanika Mahajan – Company Secretary
Taj Palace Hotel,
S.P. Marg,
New Delhi – 110 021

Tel: 011 – 6650 3704 / Email: vanika.mahajan@@tajhotels.com

ANNEXURE 1

Events or Information that are to be disclosed WITHOUT application of Materiality **Guidelines listed in the Policy**

1. 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,-
 - i) acquiring control, whether directly or indirectly; or,
 - ii) (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that - (a) the Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or; (b) there has been a change in holding from the last disclosure made under subclause (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.
2. 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.
3. Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The Company 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 Company from stock exchange(s).
5. 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.
6. Fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.

8. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
10. One time settlement with a bank.
11. Reference to BIFR and winding-up petition filed by any party / creditors.
12. 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 Company.
13. Proceedings of Annual and extraordinary general meetings of the Company.
14. Amendments to memorandum and articles of association of Company, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

ANNEXURE 2

Events or Information that are to be disclosed based on Materiality Guidelines listed in the Policy

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. 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).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. 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. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc. Effect(s) arising out of change in the regulatory framework applicable to the Company. Litigation(s) / dispute(s) / regulatory action(s) with impact.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity, force majeure or events such as strikes, lockouts, etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
8. Litigation/disputes/regulatory actions with impact
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Any other information/event viz. major development that is likely to affect business, e.g. 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 which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities