

SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. INTRODUCTION

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“listing Regulations”), the Board of Directors (the “Board”) of Supreme Holdings and Hospitality (India) Limited (“the Company”) has adopted Policy on Determination of materiality of events or information that warrant disclosure to investors.

2. OBJECTIVE OF THE POLICY

The purpose of this Policy is to determine materiality of events and information's and to ensure that the Company shall make timely disclosure of events / information specified in Para A and B of Part A of Schedule III of the Listing Regulations and any unpublished price sensitive information to the Stock Exchange.

3. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

The Company shall determine the materiality of an event / information for the purpose of disclosure to Stock Exchanges by applying the following criterion:

- (a) that event or information is, in any manner, unpublished price sensitive information;
- (b) the omission of its disclosure is likely to result in discontinuity or alteration of event or information already available publicly;
- (c) the omission of its disclosure is likely to result in significant market reaction if the said omission came to light at a later date; and
- (d) Events or information not covered by above, but it is considered as being material in the opinion of the Board of Directors of the Company.

4. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company have authorized the Managing Director of the Company to determine the materiality of an event or information and authorized Managing Director, Executive Director and the Company Secretary 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.

5. DISCLOSURES OF EVENTS OR INFORMATION

The Authorized Person(s) shall have the following powers and responsibilities:

- a. Events or information specified in Para A of part A of Schedule III and Sub-regulation 8 of Regulation 31A of the Listing Regulations shall be disclosed as soon as reasonably possible and not later than twenty-four hours from the occurrence of the same or within such period as mentioned in respective clauses of the Listing Regulations. (Annexure A).
- b. Make disclosure of events specified in Para B of part A of Schedule III of the Listing Regulations, based on application of Guidelines for materiality, as specified in this Policy, as soon as reasonably possible and not later than twenty-four hours from the occurrence of the same or within such period as mentioned in respective clauses of the Listing Regulations. (Annexure B).
- c. 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.
- d. 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.
- e. Disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.

- f. Disclose all events or information with respect to the subsidiaries which are material for the Company.
- g. 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 matters.
- h. Provide specific and adequate reply to all queries raised by stock exchange with respect to any events or information. Further, on its own initiative, may confirm or deny any event or information to stock exchange reported in the media.

6. POLICY REVIEW

The Authorized Persons may review the Policy from time to time. Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

7. WEBSITE

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.

Annexure A

Events which shall be disclosed without any application of the guidelines for Materiality Referred to:

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 Company or any other restructuring; Explanation. - 'Acquisition' shall mean, - (i) acquiring control, whether directly or indirectly; or, (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 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 credit 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 Company), 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 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. In case of resignation of Auditor, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
9. In case of resignation of an independent director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:
 - i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges.
 - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.

iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.

10. Appointment or discontinuation of share transfer agent;

11. Corporate debt restructuring;

12. One-time settlement with a bank;

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

14. 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;

15. Proceedings of Annual and extraordinary general meetings of the Company;

16. Amendments to memorandum and articles of association of Company, in brief;

17. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

18. The following events in relation to the corporate insolvency resolution process (CIRP) of a Company under the Insolvency Code:

- i. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- ii. Filing of application by financial creditors for initiation of CIRP against the Company, also specifying the amount of default;
- iii. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
- iv. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

- v. List of creditors as required to be displayed by the Company under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - vi. Appointment/ Replacement of the Resolution Professional;
 - vii. Prior or post-facto intimation of the meetings of Committee of Creditors;
 - viii. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - ix. Number of resolution plans received by Resolution Professional;
 - x. Filing of resolution plan with the Tribunal;
 - xi. Approval of resolution plan by the Tribunal or rejection, if applicable;
 - xii. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
 - xiii. Any other material information not involving commercial secrets.
- 19.** Receipt of request for re-classification by the listed entity from the promoter(s) seeking re-classification;
- 20.** Minutes of the board meeting considering such request which would include the views of the board on the request;
- 21.** Submission of application for re-classification of status as promoter/public by the listed entity to the stock exchanges;
- 22.** Decision of the stock exchanges on such application as communicated to the listed entity;

Annexure B

Illustrative list of events which shall be disclosed upon application of the guidelines for materiality referred to in:

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;
6. 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.;
7. Effect(s) arising out of change in the regulatory framework applicable to the Company;
8. Litigation(s) / dispute(s) / regulatory action(s) with impact;

9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of 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.
14. Any other events/information as specified by the Board from time to time.

*** Note: This policy has been amended and approved by the Board of Directors at their meeting held on 28th March, 2019**