



**POLICY FOR DETERMINING MATERIALITY**

**OF**

**INFORMATION /EVENTS**

**OF**

**FOMENTO RESORTS AND HOTELS LIMITED**

## 1. **OBJECTIVES**

Securities Exchange Board of India has formulated the SEBI (Listing Obligations and Disclosure Requirements), 2015 which replaces the existing Listing Agreement. The same shall come into force with effect from 1<sup>st</sup> December, 2015.

Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (“**Regulations**”), the Board of Directors (the “Board”) of **FOMENTO RESORTS AND HOTELS LIMITED** (the “Company”) provides that the Company has to formulate and adopt a Policy, for determination of materiality of information/events (“**Material Events Disclosure Policy**”) so that such information can be promptly disclosed to the stock exchanges and made available to all stake holders, as per the prescribed regulations.

This Policy shall be effective from 1<sup>st</sup>December 2015.

## 2. **GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:**

An Event/Information shall be considered Material if it meets any of the following criteria:

- a) The omission of an event or information 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) above are not applicable, an event /information may be treated being material, if in the opinion of the Board of Directors of the Company, the event or information is considered material.
- d) The event or information, the impact of which is more than 10% of the turnover or net worth of the Company, as the case may be. These thresholds shall be determined on the basis of audited standalone financial statements of the Company for the preceding financial year.

### **3. DISCLOSURE OF EVENTS OR INFORMATION:**

- a) The events mentioned in PART-A: Disclosures of Events or Information as per Schedule III of the Regulations shall be disclosed without any application of the guidelines of materiality.
- b) The events and information confirming to the materiality thresholds as specified in Clause 2 above for the purpose of disclosure to the Stock Exchanges in terms of Regulation 30(3) of the Listing Regulations shall be as contained in Annexure-I and shall form part of the policy.
- c) The Company shall disclose the information to the Stock exchanges in accordance with the Regulations and circulars issued by SEBI from time to time.
- d) The Company shall disclose on its website all such events or information which has been disclosed to stock exchanges(s) under this regulation, and such disclosures shall be hosted on the website of the Company.
- e) The Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Board of Directors of the Company.

### **4. PERSONS AUTHORISED TO DETERMINE MATERIALITY:**

The Board of Directors of the Company have authorised the Managing Director & CEO, the Chief Financial Officer and Company Secretary ("Authorised persons" / Key Managerial Persons), any two of them acting jointly, to determine the materiality of any event/information for the purpose of disclosure to the Stock Exchanges.

In the normal course, the Company Secretary shall make disclosure to the Stock Exchanges in respect of material events or information under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by Managing Director & CEO or Chief Financial Officer of the Company.

### **5. REVIEW AND AMENDMENT:**

This Policy can be amended, modified or revised by the Board of Directors of the Company from time to time. In case any provisions of this Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013,

rules framed thereunder and Listing Regulations (“statutory Provisions”), the provisions of Statutory Provisions shall prevail.

**Annexure -I**

<b>Sr. No.</b>	<b>Event / Information</b>
1.	Commencement or any postponement in the date of commencement of commercial operations of any unit/division
2.	Change in the general character or nature of business brought about by arrangements for strategic, technical, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
3.	Capacity addition.
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 listed entity 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 listed entity.
8.	Litigation(s) / dispute(s) / regulatory action(s) with impact.
9.	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
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.

\*\*\*\*\*