

**POLICY FOR DETERMINING MATERIALITY
OF EVENTS AND/OR INFORMATION**

FINOLEX CABLES LIMITED

**Registered Office: 26 - 27, Mumbai - Pune Road
Pimpri
Pune - 411 018.**

1. **STATUTORY MANDATE**

In accordance with Regulation 30 (4) (ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the '**Listing Regulations**'), Finolex Cables Limited (the '**Company**') has framed a policy for determination of events or information which, in its opinion, are material.

The Board of Directors of the Company (the '**Board**') has, at its meeting held on 10th February 2016, adopted this Policy.

2. **DEFINITIONS**

In this Policy, unless the context otherwise requires or implies, the following terms shall have the meanings assigned against each of them.

'Acquisition' shall mean-

- a. acquiring control, whether directly or indirectly; or
- b. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
 - i. 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
 - ii. there has been a change in holding from the last disclosure made under clause i. above and such change exceeds two per cent of the total shareholding or voting rights in the said company.

'Agreement(s)' shall mean 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) or contract(s) with media companies) which are binding and not in normal course of business and any revision(s) or amendment(s) and termination(s) thereof.

'Key Managerial Personnel', in relation to the Company, shall mean the Chief Executive Officer or the managing director or the manager; the company secretary; or the whole-time director; the Chief Financial Officer; and such other officer as may be prescribed under the Companies Act 2013. For the purpose of the Company, Key Managerial Personnel shall be such persons performing the duties of each of the Key Managerial Personnel, as defined above by whatever name called.

'Materiality' of an event or information shall mean such materiality as is disclosed in this Policy.

'Specified Securities' shall mean the equity shares of the Company of Rs. 2/- each listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

This **'Policy'** shall mean the policy for determination of materiality, based on the criteria identified herein.

3. **MATERIAL EVENTS OR INFORMATION**

The following events or information will be considered material for the purpose of this Policy:

CATEGORY A

- ❖ Acquisition, (including agreement to acquire), Scheme of Arrangement which includes amalgamation or merger or demerger or restructuring), or sale or disposal of unit(s), division(s) or subsidiary of the Company or any other restructuring.
- ❖ 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.
- ❖ Shareholder agreement(s), Joint venture agreement(s), agreement(s) or treaty(ies) or contract(s) with media companies.
- ❖ Fraud or defaults by promoter or Key Managerial Personnel or arrest of Key Managerial Personnel or promoter.
- ❖ Reference to the Board of Industrial and Financial Reconstruction and uncontested or non actioned winding-up petition filed by any party or creditors.
- ❖ Revision in ratings.
- ❖ Change in Directors, Key Managerial Personnel, Auditor and Compliance Officer.
- ❖ Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.
- ❖ Appointment or discontinuation of share transfer agent.
- ❖ Corporate debt restructuring
- ❖ One time settlement with bank.

- ❖ 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.
- ❖ Proceedings of the Annual or Extraordinary general meetings of the Company.
- ❖ Amendments to Memorandum of Association and/or Articles of Association.

CATEGORY B

- ❖ Declaration of Dividend and / or cash bonuses recommended or declared and other information pertaining to them.
- ❖ Cancellation of dividend with reasons thereof.
- ❖ Buyback of securities.
- ❖ Fund raising proposed to be undertaken.
- ❖ Increase in capital by issue of bonus shares.
- ❖ 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.
- ❖ Alterations of capital.
- ❖ Financial results.
- ❖ Voluntary delisting from the stock exchanges.

CATEGORY C

- ❖ Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit or division.
- ❖ 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 or division (entirety or piecemeal).
- ❖ Capacity addition or product launch.
- ❖ Awarding, bagging or receiving, amendment or termination of awarded or bagged orders or contracts not in the normal course of business.
- ❖ Agreements for loan not in the 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.
- ❖ Effects arising out of change in the regulatory framework applicable to the Company.
- ❖ Litigation(s) or dispute(s) or regulatory action(s) with impact.
- ❖ Options to purchase securities including Employee Stock Option Plan or Employee Stock Purchase Scheme.
- ❖ Giving of guarantees or indemnity or becoming a surety for any third party
- ❖ Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- ❖ Emergence of new technologies which may affect the Company,
- ❖ Expiry of patents.
- ❖ Change in accounting policy.
- ❖ Any other information that may be deemed necessary, jointly and severally, by the Key Managerial Personnel of the Company who would consider that it is necessary for the holders of the securities of the Company to appraise its position and to avoid the establishment of a false market.
- ❖ The Board may, in its discretion, also authorise the Key Managerial Personnel to disclose such events, information or material which, in its discretion, may be necessary for the purpose of making disclosures to the stock exchanges.

4. **CRITERIA FOR DISCLOSURE OF EVENTS OR INFORMATION**

Quantitative Criteria :

- i. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly.
- ii. The omission of an event or information, which is likely to result in significant market reaction if the said omission came to light at a later date;
- iii. In case where the criteria of an event or information does not fall in the first two categories, if in the opinion of the Board, such event or information is considered material.

Qualitative Criteria :

Whether the information is likely to cause prices of the Company's Specified securities to fluctuate such that persons who commonly invest in securities may be otherwise influenced in deciding whether to acquire or dispose of the Company's securities;

Whether the information pertains to a matter which may have a relative impact on the Company's net worth, as a result of the information;

Whether the information pertains to a matter which may cause the Company's turnover to move materially higher as a result of the information;

Whether the information pertains to a matter which may cause material assets of the Company to be deployed into an avenue other than the one where they are currently deployed.

5. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

5.1 The Executive Chairman, Executive Director & Chief Financial Officer and the Company Secretary jointly or any one of them are authorised for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the stock exchanges.

5.2 The above-named Key Managerial Personnel jointly or any one of them may seek expert advice where considered necessary in order to determine whether any information is market sensitive or not.

5.3 The contact details of the above-named Key Managerial Personnel shall be disclosed on the website of the Company.

6. WEBSITE UPDATION OR UPDATES TO STOCK EXCHANGES

The Executive Director & Chief Financial Officer or the Compliance Officer of the Company shall ensure that

- (a) all events or information determined material, in terms of this Policy, shall be disclosed on the website of the Company for a minimum period of 5 years and thereafter as per the archival policy of the Company, as disclosed on its website; and
- (b) disclosures updating material developments on a regular basis are disclosed on the website of the Company, till such time the event is resolved or closed, with relevant explanations.

7. **DISCLOSURE OF EVENTS OR INFORMATION ON SUBSIDIARIES**

The Company shall disclose all events or information with respect to its subsidiaries which are material for the Company.

8. **AUTHORISATION TO KEY MANAGERIAL PERSONNEL TO SUO MOTU ACCEPT OR DENY REPORTED EVENT OR INFORMATION**

The Executive Chairman, Executive Director & Chief Financial Officer and the Company Secretary jointly or any one of them are authorised to suo moto confirm or deny any reported event or information to the stock exchanges, which has been unauthorisedly made public by media or by any other means including but not limited to electronic means.

The actions enlisted hereinabove may be taken recourse to by the Key Managerial Personnel above-named in a manner which best protects the interests of the Company. Such action taken by the Key Managerial Personnel above-named shall, however, be brought to the attention of the Board at its immediately subsequent meeting.

9. **COMPLIANCE OFFICER**

The Compliance Officer for the purpose of complying with the Listing Regulations shall be the Company Secretary of the Company.

10. **DISCLOSURE**

This Policy shall be disclosed on the website of the Company.

11. **POLICY REVIEW**

The Board is authorised to from time to time review and amend this Policy and the individuals designated therein who are authorised for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the stock exchanges.