

FOSECO INDIA LIMITED

POLICY FOR DETERMINATION OF MATERIAL EVENTS OR INFORMATION

1. INTRODUCTION:

The Board of Directors ("the Board") of Foseco India Limited ("the Company") has adopted this Policy for Determination of Material Events or Information as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015").

2. POLICY OBJECTIVE:

The objective of this Policy is to ensure timely and adequate disclosure of material events or information as per Regulation 30 of the Listing Regulations, 2015.

This Policy is effective from 1 December 2015.

3. NATURE OF EVENTS OR INFORMATION THAT NEEDS TO BE DISCLOSED WITHIN THE SPECIFIED TIME:

- I) Following events or information shall be disclosed first to the Stock Exchanges, as specified here-in-below in Annexure I, within 30 minutes of the conclusion of the Board Meeting, at which such events or information is considered.

Annexure I – As prescribed under Part A of Schedule III of the Regulations

- 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 the Stock Exchange(s).

II) Following events or information shall be disclosed first to the Stock Exchanges, as specified here-in-below in Annexure II, as soon as reasonably possible and not later than 24 hours from the occurrence of event or information.

Provided that in case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for the delay.

Annexure II – As prescribed under Part A of Schedule III of the Regulations

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 - For the purpose of this sub-para, the word '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 made under sub-clause (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. 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.

5. Fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.

6. Change in Directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

7. Appointment or discontinuation of share transfer agent.
 8. Corporate debt restructuring.
 9. One time settlement with a bank.
 10. Reference to BIFR and winding-up petition filed by any party / creditors.
 11. 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.
 12. Proceedings of Annual and Extraordinary General Meetings of the Company.
 13. Amendments to Memorandum and Articles of Association of the Company, in brief.
 14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;
- III) Following events or information shall be disclosed first to the Stock Exchanges, as specified here-in-below in Annexure III, based on the application of the guidelines for materiality.

Annexure III – As prescribed under Part B of Schedule III of the Regulations

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 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.
14. Apart from the above, the Company may make disclosures of event/information as specified by the SEBI from time to time.

4. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION:

Materiality shall be determined on a case to case basis, depending on the specific facts and circumstances relating to the events/ information.

The following criteria shall be considered to determine materiality:

- (a) the omission of an event or information, which 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) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company, the event / information is considered material.

A particular event or information will be considered as material in nature, if it substantially affects the existing composition of revenue or profits of the Company or substantially alters the risks of the Company. The Company will be guided by the following principles / criteria to determine materiality:

Quantitative Criteria

Quantitative criteria would mean an event or information, which when compared and computed on the basis of the last Audited Financial Statements, results in:

- (a) excess of 10% of the gross turnover, or
- (b) excess of 10% of the net worth of the Company, whichever is greater.

The greater of the two thresholds shall be taken as a trigger.

Qualitative Criteria

Qualitative criteria would mean an event or information, in the opinion of the MD / CEO or the CFO:

- (a) which will substantially increase the risk levels in the Company, or
- (b) which, if suppressed, would have significant impact on the market, when such event / information comes to the public domain at a later date.

5. PROCEDURE FOR DISCLOSURE OF EVENTS OR INFORMATION:

The Managing Director & Chief Executive Officer ("the MD / CEO"), the Chief Financial Officer ("the CFO") and the Company Secretary are severally authorised for making disclosures of such events or information to the Stock Exchange(s), as-well-as posting the events or information on the website of the Company, that are specified in Annexure I and II.

The MD / CEO or in his absence, the CFO shall be the persons authorised for determining the materiality of an event or information and for making disclosures of such events or information to the Stock Exchange(s), as-well-as posting the events or information on the website of the Company, that are specified in Annexure III.

The MD / CEO and the CFO are severally authorised, with respect to the disclosures referred to in Annexure III, for making disclosures updating material developments on a regular basis, to the Stock Exchange(s), till such time the event is resolved / closed, with relevant explanations and also promptly post the events or information on the website of the Company.

6. PROCEDURE FOR MAKING DISCLOSURES:

The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved / closed, with relevant explanations.

All events / information disclosed to the Stock Exchanges will be posted on the website of the Company for a minimum period of five years and thereafter as per the "**Archival Policy**" of the Company as disclosed on the website of the Company.

The Company does not have any subsidiary or subsidiaries and hence there will be nothing to disclose either to the Stock Exchange or anything to be hosted on the website of the Company.

5. AMENDMENT:

This Policy is subject to review from time to time by the Board of Directors of the Company.

Place: Pune

Date: 21 January, 2016