

MOHINDRA FASTENERS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF DISCLOSURES

INTRODUCTION: The Policy for determination of Materiality of Disclosures of events and information (“Policy”) is formed by the Board of Directors in its Meeting held on May 28, 2016 in compliance with the Regulation 30(4) of Securities Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulations, 2015 (“Regulations”) for making disclosures of Material Information/ Events to the Stock Exchanges in order to ensure timely communication of material information in the best interest of investors.

This information/Event which shall be disclosed to the Stock Exchanges are broadly classified in to three parts:

1. Disclosure of Events to the Stock Exchanges not later than 30 Minutes from the Conclusion of the Board Meeting.
2. Disclosure of Events to the Stock Exchanges as soon as possible not later than 24 hours of the Occurrence of the Event/ Information
3. Information to be disclose as soon as possible but not Later than 24 hours of the Occurrence of the Event/ Information if impact of such event/ Information on the Company exceeds 10% of its Gross Turnover or 10% of its net worth, whichever is higher, such turnover/ net worth to be based on the latest annual audited financial statements of the Company.

Brief events coming under the above classification is as follows:

- 1. Disclosure of Events to the Stock Exchanges not later than 30 Minutes from the Conclusion of the Board Meeting:** The following will be disclosed to the stock exchanges after the approval is granted by the Board of Directors of the Company but not later than 30 minutes from the conclusion of the Board Meeting:
 - a. Recommendation of Dividend to the Shareholders or declaration of interim dividend.
 - b. Any cancellation of Recommended dividend
 - c. Approval of Buy Buck of Shares
 - d. Approval of fund raising proposal
 - e. Approval of issue of Bonus shares and related information
 - f. Approval of forfeiture of shares, reissue of forfeited shares or alteration ion call(s) on securities
 - g. Approval of alteration in capital
 - h. Approval of Financial Results
 - i. Approval of Voluntary delisting from any of the Stock Exchange.
- 2. Disclosure of Events to the Stock Exchanges as soon as possible not later than 24 hours of the Occurrence of the Event/ Information:** The following will be disclosed to

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the stock exchanges as soon as possible but not later than 24 hours after the Occurrence of the Event/ Information.

- a. Approval of any Acquisition (including agreement to acquire), Scheme of Arrangement (Amalgamation/ Merger/ demerger/ reconstruction), sale or disposal of any unit(s), division (s) or subsidiaries of the Company.
 - b. Approval of 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.
 - c. Revision in Rating(s).
 - d. Approval of entering in to 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.
 - e. Occurrence of Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
 - f. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 - g. Approval of appointment or discontinuation of share transfer agent.
 - h. Approval of Corporate debt restructuring.
 - i. Approval of One time settlement with a bank.
 - j. Approval of reference to BIFR and winding-up petition filed by any party / creditors.
 - k. 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 listed entity.
 - l. Proceedings of Annual and extraordinary general meetings of the listed entity.
 - m. Amendments to memorandum and articles of association of listed entity, in brief
 - n. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
- 3. Information to be disclose as soon as possible but not Later than 24 hours of the Occurrence of the Event/ Information if impact of such event/ Information on the Company exceeds 10% of its Gross Turnover or 10% of its net worth, whichever is higher, such turnover/ net worth to be based on the latest annual audited financial statements of the Company:**

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- a. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- b. 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).
- c. Capacity addition or product launch.
- d. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- e. 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.
- f. 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.
- g. Effect(s) arising out of change in the regulatory framework applicable to the company.
- h. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- i. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- j. Options to purchase securities including any ESOP/ESPS Scheme.
- k. Giving of guarantees or indemnity or becoming a surety for any third party
- l. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
- m. Any other significant development/ event/ information that is likely to impact the Company business, to the extent indicated above.

Note: Where the Company makes disclosures to the stock Exchanges as mentioned above, the Company will also under obligation to disclose material development(s) on the said event/ information.

AUTHORISATION FOR DISCLOSURES:

The Key Managerial Personnel (KMP) are authorized to determine the materiality of an event and to decide:

- i. The event that qualifies for disclosure as per Regulation 30 of the Securities and Exchange Board of India (listing obligation and disclosure requirements) Regulation 2015.

