

FINEOTEX CHEMICAL LIMITED

FCL POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURE OF INFORMATION

[Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

As duly approved by the Board of Directors in their Board Meeting held on 12th February 2016

1. Preface:

The Company is required to make disclosure of various events and information to the Stock Exchanges as listed under Schedule III of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations). Such events/information have been classified into following four categories-

- (i) Events which shall be disclosed without application of the guidelines for materiality,
- (ii) Events which shall be disclosed upon application of the guidelines for materiality,
- (iii) Major information/event likely to affect the business of the Company, and
- (iv) Any other event/information as may be specified by SEBI from time to time

Further, the Board of Directors of the Company is mandated to approve a policy for determining the materiality, under category (ii) and (iii) above, and also authorize one or more Key Managerial Personnel (KMP) for determining the materiality of an event/information and also for making disclosure thereof to the Stock Exchanges from time to time.

2. Policy for determination of materiality:

The information/events specified under category (ii) and (iii) above shall be deemed to be material if in the opinion of the authorized KMP –

- i. the non-disclosure of such information/event will result in discontinuation or alteration of the information/event already disclosed and/or available in public domain; or

- ii. the non-disclosure of such information/event will impact in the securities market, if and when the same comes to public domain subsequently; or
- iii. 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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

In addition to the above, the stipulations in the 'FCL Code of Fair Disclosure and Conduct', as approved by the Board of Directors of the Company in terms of the provisions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 shall also be taken into account for disclosure of any event/information.

3. Authority for determination of materiality of events / information and disclosure thereof

Pursuant Regulation 30 (5) of the Regulations, Mr. Surendrakumar Tibrewala the Chairman and Managing Director (CMD) of the Company and Mr. Sanjay Tibrewala the Whole-time Director of the Company shall be the authorized KMP to determine the materiality of the information/event to be disclosed to the Stock Exchange taking into account the foregoing paragraphs. The Company Secretary or in his absence such other officer as may be nominated by the CMD shall be the authorized person to make such disclosures to the Stock Exchanges.

4. Validity and amendment

This Policy shall be valid until otherwise determined by the Board.

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