

Forbes & Company Limited

POLICY FOR DETERMINATION OF MATERIALITY FOR DISCLOSURES

1.0 Legal Framework

- 1.1 Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) ("SEBI LODR") specifies that all listed companies shall frame a policy for determination of materiality of events/information for the purpose of making disclosure to stock exchange(s).

2.0 Objectives of the Policy

- 2.1 To determine the materiality of events/information for the purpose of making disclosure to stock exchange(s).

3.0 Definitions & Interpretation

"Act" shall mean the Companies Act, 2013 as amended from time to time and the Rules framed thereunder.

"Board of Directors" or "Board" means the Board of Directors of Forbes & Company Limited.

"Key Managerial Personnel" means a person as defined under the Companies Act, 2013 and the Rules made thereunder.

"Policy" means this Policy on determination of materiality of events/information, as amended from time to time.

"Stock Exchange" means BSE Limited.

"Subsidiary Company" shall be a company defined as subsidiary company under the Act.

4.0 Principles for determination of Materiality of events/information:

- 4.1 An event/information shall be considered as material, if it meets the following criteria:
- (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; or
 - (c) an event/information, which in the opinion of the Board is considered material and/or ought to be disclosed.
- 4.2 Considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

5.0 Person(s) Responsible for Disclosure

- 5.1 The Board hereby constitutes a Committee comprising of the Managing Director, Chief Financial Officer and Company Secretary for the purpose of determining materiality of event/information and for making disclosures to the stock exchange(s).
- 5.2 The Committee shall be responsible for compliance with disclosure requirements and finalising the contents of disclosure to be made under Regulation 30 of the Listing Regulations and is empowered to seek appropriate counsel or guidance, if deemed necessary.

6.0 Process of Disclosures of Material Information

- 6.1 In case any senior management personnel of the Company become aware of some event/information concerning the Company which in their opinion is material, the said personnel would contact any of the Key Managerial Personnel of the Company.
- 6.2 The Key Managerial Personnel in consultation with the Managing Director would then determine whether the information requires disclosure to the stock exchanges or not in accordance with the Listing Regulations.

7.0 Disclosure of material information/events to the Stock Exchange:

- 7.1 The Company shall make disclosures of all events or information:
- a) without application of the guidelines for materiality as specified in Annexure A to the stock exchange(s) as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information except the following items viz:
 - i) 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;
 - ii) any cancellation of dividend with reasons thereof;
 - iii) the decision on buyback of securities;
 - iv) the decision with respect to fund raising proposed to be undertaken;
 - v) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - vi) 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;
 - vii) short particulars of any other alterations of capital, including calls;
 - viii) financial results;
 - ix) decision on voluntary delisting by the listed entity from stock exchange(s). which shall be disclosed within thirty minutes of the conclusion of the Board Meeting.
 - b) With application of the guidelines for materiality as specified in Annexure B to the stock exchange(s) upon application of the guidelines for materiality referred to in this Policy.

- c) The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- d) The Company shall disclose on its website all such events or information, which has been disclosed to stock/exchange(s) as above and such disclosure shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.
- e) The Company shall also disclose all events or information with respect to subsidiaries which are material for the Company.

8.0 Effective Date

- 8.1 The Policy is effective with immediate effect.

9.0 Contact Details

Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Key Managerial Personnel at the following contact details:

Email id: investor.relations@forbes.co.in

Tel. No. +91 22 6135 8900

10.0 Interpretation & Review

- 10.1 Subject to the superintendence of the Board, this Policy shall be interpreted and administered by the Audit Committee.
- 10.2 The provisions of the Act and "SEBI LODR shall be deemed to have been mutatis mutandis specifically incorporated in this Policy and in case any of the provision of this Policy is inconsistent with the provisions of Act and/or SRBI LODR, the provisions of Act and/or SEBI LODR shall prevail.
- 11.3 The capitalized words not specifically defined in the Policy shall have the same meaning as under the Act or SEBI LODR.
- 11.4 For interpretation of this Policy, reference and reliance may be placed upon circulars/clarifications issued by the Ministry of the Corporate Affairs or SEBI and/or any other authority.
- 11.5 The Audit Committee may review the Policy from time to time and make recommendations for amendment as it may deem appropriate.

Events/Information which shall be disclosed without any application of the guidelines for materiality:

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 listed entity or any other restructuring.
Explanation: '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 listed entity 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) above 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. Outcome of Meetings of the board of directors: Disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - 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 listed entity from stock exchange(s).
5. 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.
6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

(7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

(7B) Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

- i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
- ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
- iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.

8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.

10. One time settlement with a bank.

11. Reference to BIFR and winding-up petition filed by any party/creditors.

12. 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.

13. Proceedings of Annual and extraordinary general meetings of the listed entity.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

Events which shall be disclosed upon application of the guidelines for materiality:

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 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.
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 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.