

Avanti Feeds Limited:

POLICY ON DISCLOSURE OF MATERIAL EVENTS / INFORMATION

I. Statutory Mandate

The Board of Directors (The “Board”) of Avanti Feeds Limited (the “AFL”) has adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company with effect from 1 December, 2015 in terms of Reg. 30 (4)(ii) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

II. Policy Objective and Scope

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined.

The purpose of this documents to present a high level policy statement for Avanti Feeds Limited (AFL) regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

The policy is intended to define AFL’s policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in AFL in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

- III. All the words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

IV. Definitions

“Audit Committee or Committee” means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, and the Companies Act, 2013.

“Board of Directors or Board” means the Board of Directors of AFL Limited, as constituted from time to time.

“Company” means a Company incorporated under the Companies Act, 1956 or under any other act prior to or after Companies Act, 1956.

“Compliance Officer” means Company Secretary of the Company.

“Independent Director” means a Director of the Company, not being a whole time Director who is not a promoter of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 the SEBI’s LODR, 2015 as amended from time to time.

“Key Managerial Personnel” (KMP) Key Managerial Personnel as defined under Sec.2(51) of Companies Act, 2013.

“LODR” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“Material Events” are those that are specified in Para A of Part A of Schedule III of the LODR.

“Other Events” are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4).

“Policy” means Policy on Disclosure of Material Events.

V. Policy

The Board of Directors of the Company or one or more KMPs authorised by the Board shall determine the events which are classified under different categories to be material and / or other events having a bearing on the performance of the Company and on the share prices of the Company, which needs to be disclosed to the stock exchanges as per the time span specified against each category.

CATEGORY A

Events which shall be disclose without any application of the guidelines of materiality as specified in Reg.30(4) – To be disclosed to the Stock Exchanges within 24 hours from the occurrence of event or information.

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.- 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 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) 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. Outcome of Meetings of the board of directors: The listed entity shall 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 Financial Officer , Company Secretary etc.), and Auditor.
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 company.
14. Amendments to memorandum and articles of association of listed company, 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;

Note : If the Company is not in a position to inform the stock exchange within 24 hours of the decision taken at the Board Meeting, then it shall inform the stock exchange as soon as it is possible with an explanation as to reason for delay in disclosing the said information.

CATEGORY B:

Events which shall be disclosed upon application of the guidelines for materiality referred to Reg.30(4)

1. Criteria for determination of materiality of events/information:
 - i. The omission of an event or information would likely to result in discontinuity or alteration of event or information already available publicly ;OR
 - ii. 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
 - iii. In case where the criteria of an event / information does not fall in the above two categories, an event/information may be treated as being material if in the opinion of the Board of Directors, the event/ information is considered material.
2. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
3. 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).
4. Capacity addition or product launch.
5. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
6. 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.
7. 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.
8. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
9. Litigation(s) / dispute(s) / regulatory action(s) with impact.
10. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.

11. Options to purchase securities including any ESOP/ESPS Scheme.
12. Giving of guarantees or indemnity or becoming a surety for any third Party.
13. Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.

CATEGORY C:

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 entity 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.

CATEGORY D:

Without prejudice to the generality of Categories (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.

VI. Authority for determination of Materiality of events / information

The Key Managerial Personnel (KMPs) consisting of the Chairman & Managing Director, Joint Managing Director, Company Secretary & CFO are hereby jointly and severally authorised to determine whether the event / information is material or not and in turn about its time line for disclosure based on the category of information as specified above to the stock exchanges.

VII. Website Updation / Updates to stock exchanges

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates shall also be hosted on the website of the Company.

VIII. Authorisation to KMPs to suo moto accept / deny reported event or Information:

The Key Managerial Personnel (KMPs) consisting of the Managing Director, Joint Managing Director, Company Secretary & CFO are hereby jointly and severally authorised to suo moto accept / deny any report event or information, which has been unauthorisedly made public by media or by any other means including electronic means. They are further authorised to respond to the rumours amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company.

IX. **Policy Review**

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications

X. **Board's Approval**

This policy was approved by the Board of Directors at its meeting held on 7th November, **2015**.

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