

FCL:SEC:SE:23:83

14th August 2023

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| Corporate Relations Department BSE Limited 1st Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street, Fort Mumbai – 400 001 | The Manager Listing Department National Stock Exchange of India Ltd 'Exchange Plaza', C-1, Block G, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051 | Mr Tom Schmit Luxembourg Stock Exchange PO Box 165 L-2011 Luxembourg Grand-Duchy of Luxembourg EUROPE |
| Scrip Code: 500144 | Scrip Code: FINCABLES | |

Dear Sirs,

Sub.: **Disclosure under Regulation 30(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 5A of Para A of Part A of Schedule III thereof (inserted pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023).**

1. We write to you in view of the recently amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") vide its notification bearing no. SEBI/ LAD-NRO/GN/2023/131 dated 14th June, 2023 ("LODR Amendment Regulations").
2. In view of Regulation 30(2) of the SEBI LODR read with the newly inserted Clause 5A of Para A of Part A of Schedule III of the SEBI LODR (inserted pursuant to the LODR Amendment Regulations), Finolex Cables Limited ("FCL") being a promoter shareholder of its unlisted Associate Company i.e. Finolex J-Power Systems Limited ("FJPSL") in compliance with FCL's obligations under the LODR Amendment Regulations is hereby making a disclosure of the Shareholders Agreement ("SA") entered into between our Company, and J Power Systems Corporation (a corporation duly incorporated and registered under the laws of Japan), dated 13th December 2007, in view of the restrictions contained in Clause 10 and 11 thereof.
3. We also wish to inform you that we are also taking the below mentioned steps to ensure complete compliance with the LODR Amendment Regulations:
 - a. disclosure of the said SA on the website of the Company at www.finolex.com , as required by Regulation 30(8) of the SEBI LODR is being made today; and
 - b. disclosure of the said SA, its salient features, including the link to the webpage where complete details of the SA would be disclosed and mentioned, in the Annual Report of the Company for the financial year 2022-23, in terms of Regulation 30A(2) of the SEBI LODR.

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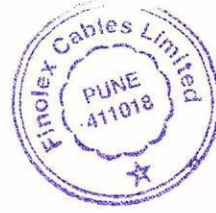
4. In view of the restrictions imposed upon FCL by Clause 10 and 11 of the SA, FCL, in order to comply with Regulation 30(2), read with Clause 5A of Para A of Part A of Schedule III of the SEBI LODR and the aforementioned SEBI Circular, is hereby setting out in **Annexure** herein below details of the SA to the stock exchanges.

Kindly take the same on your files and records.

Thanking you,
FOR FINOLEX CABLES LIMITED

Gayatri Kulkarni
Assistant Company Secretary
& Compliance Officer

Encl.: as above



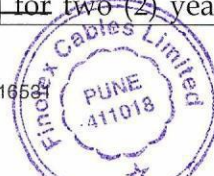
ANNEXURE

Details of the Shareholders Agreement dated 13th December 2007 as required by the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

| Sr. No | Particulars | Details |
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| 1 | If the listed entity is a party to the agreement details of the counterparties (including name and relationship with the listed entity) | J -Power Systems Corporation, ("JPS") a corporation duly incorporated and registered under the laws of Japan, is the counterparty to the SA dated 13 th December 2007, and is also a shareholder of Finolex J -Power Systems Limited (an unlisted associate company of FCL, which is the joint venture company between JPS and FCL). |
| 2 | If listed entity is not a party to the agreement, i. name of the party entering into such an agreement and the relationship with the listed entity; ii. details of the counterparties to the agreement (including name and relationship with the listed entity) iii. date of entering into the agreement. | Not applicable |
| 3 | Purpose of entering into the agreement; | The SA was entered into "...to establish a limited joint venture to be operated under and by virtue of the laws of the Republic of India in order to promote manufacturing and selling Underground Power Cables having voltage capacity of 60KV and above and accessories" as the parties mutually agreed. |
| 4 | shareholding, if any, in the entity with whom the agreement is executed | Not Applicable |
| 5 | significant terms of the agreement (in brief) | The significant term of the SA, for the purposes of disclosure under the SEBI LODR and the SEBI Circular has been culled out and is set out hereunder: - Clause 10.1- "During the term of validity of this Agreement for two (2) years thereafter, FINOLEX or any |

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XCEEDS
XPECTATIONS

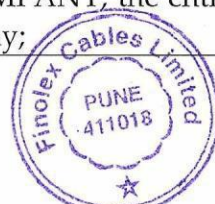


other company or other entity or person, directly or indirectly, controlled by them or any of them shall not engage in any activity competing with the NEW COMPANY in India. However, FINOLEX or any other company or entity controlled by them or any of them shall be entitled to carry on any business activities including their existing business activities, which they commence prior to the NEW COMPANY commencing the same. The above period for non-compete will extend to there (3) years after the term of validity of this agreement, if this Agreement is terminated in accordance with the terms hereof by J- Power SYSTEMS due to any breach by FINOLEX of its obligations.

Clause 11-

If a party hereto is in breach ("Breach") of the Non-Compete covenant ("Defaulting Party") which is not remedied within ninety (90) days of such Breach; then the other party (hereinafter in this clause referred to as a "Non-Defaulting Party")) may after giving ninety (90) days notice in writing for remedial of such Breach, and if such Breach is not remedied within ninety (90) days of such notice to the Defaulting Party, the Non-Defaulting Party may :

- (a) refer the matter of Breach or the disputed breach to arbitration as provided in Clause 25;
- (b) cause the Defaulting Party to sell its entire shareholding in the NEW COMPANY for a consideration of Re. 1 to the Non-Defaulting Party;
- (c) cause the Defaulting Party to forthwith, and in any event not later than 48 hours, from the date of expiry of the ninety (90) days of the intimation to remedy the Breach, pay in cash to the NEW COMPANY, the entire accumulated losses, if any;



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| | | <p>(d) liquidate or wind up the NEW COMPANY;</p> <p>(e) seek injunctive or other appropriate reliefs against the Defaulting Party;</p> <p>(f) oblige the Defaulting Party to forthwith purchase all or any of the shares of the Non-Defaulting Party at the fair market value, as determined by the statutory auditor or by a valuer determined by the Non-Defaulting Party.</p> <p>The Non-Defaulting Party at its option may use all or any of the aforesaid remedies, in any manner, whatsoever, it considers appropriate under the circumstances.</p> |
| 6 | extent and the nature of impact on management or control of the listed entity | Not applicable |
| 7 | details and quantification of the restriction or liability imposed upon the listed entity | <p>(i) See Clause 10 and 11 of the SA – as set out hereinabove.</p> <p>(ii) FCL (in view of Clause 10 and 11 of the SA), cannot in the Republic of India engage in any operation of the business which may be competitive with the business of FJPSL except such businesses as FCL was actually engaged in at the time of the execution of the SA dated 13th December 2007. (iii) This is a restriction imposed on FCL by Clause 10 and 11 of the SA, and which FCL has complied with and adhered to.</p> |
| 8 | whether the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship | <p>(i) FCL is a shareholder of FJPSL</p> <p>(ii) FJPSCL is an unlisted associate company of FCL.</p> |
| 9 | whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length” | The SA is not one of the transactions as stipulated in Section 188(1) (a) to (g) of the Companies Act, 2013. In view thereof, the question of whether it was entered into on an ‘arm’s length basis’ does not arise. |
| 10 | in case of issuance of shares to the parties, details of issue price, class of shares issued | FCL had subscribed to 231,280,000 equity shares being 49% of the paid-up share capital of FJPSL, which were allotted to FCL at an issue price of Rs. 10 per equity share. |

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| | | Details: class of shares issued by FJPSL to FCL are equity shares. |
| 11 | any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc. | NO |
| 12 | in case of rescission, amendment or alteration, listed entity shall disclose additional details to the stock exchange(s): i. name of parties to the agreement; ii. nature of the agreement; iii. date of execution of the agreement; iv. details and reasons for amendment or alteration and impact thereof (including impact on management or control and on the restriction or liability quantified earlier); v. reasons for rescission and impact thereof (including impact on management or control and on the restriction or liability quantified earlier) | Not Applicable, since there has been no rescission, amendment or alteration, to the SA |

