



FIEM INDUSTRIES LIMITED

Unit-VII : Plot No. 1915, Rai Industrial Estate, Phase -V, Sonapat-131029 Haryana (INDIA)

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February 14, 2022

(Through Listing Centre)

The Manager,
Dept. of Corporate Services
B S E Limited
25th Floor, P. J. Towers, Dalal Street,
Fort, Mumbai - 400 001

Dear Sir,

Sub: Exit from Joint Venture Company: Aisan Fiem Automotives India Pvt. Ltd.

Ref: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Pursuant to Regulation 30 and Schedule III [Part A, Para A, sub-para 5] and any other applicable provision(s) of the Listing Regulations, we wish to inform that Board of Directors of the Company at their meeting held today i.e. on **February 14, 2022** have decided to exit from Joint Venture Company (JV Company) - Aisan Fiem Automotives India Pvt. Ltd.

Accordingly, in terms of Joint Venture Agreement (JV Agreement), FIEM Industries Limited will, in exercise of the put-option rights reserved under the JV Agreement, offer the entire shares held by the Company in the JV Company to the other Joint Venture Partner(s) for purchase at face value or fair market value, whichever is higher. FIEM Industries Limited had invested Rs. 26 Crore for acquiring 26% shareholding in the JV Company. The exit process is expected to be completed within first quarter of next financial year.

Other details, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9th September, 2015, are given in **Annexure-A**.

Thanking You

Yours faithfully,

For FIEM INDUSTRIES LIMITED

Arvind K. Chauhan
Company Secretary

Encls: A/a

Annexure-A.

Sr. No.	Details to be provided with respect to:	Details / Information
1.	Name(s) of parties with whom the agreement is entered;	JV Agreement was executed on March 30, 2018 among: (i) Aisan Industry Co., Ltd. (ii) Fiem Industries Ltd. (iii) Toyota Tsusho India Pvt. Ltd.
2.	Purpose of entering into the agreement;	JV Agreement was executed to form JV Company and to set-up manufacturing facility for Fuel Injection System for two-wheelers and three-wheelers for Indian market. Accordingly, JV Company, Aisan Fiem Automotives India Pvt. Ltd. was formed and manufacturing facility set-up in FY 2018-19.
3.	Shareholding, if any, in the entity with whom the agreement is executed;	Fiem Industries Ltd. is not holding any shares in Aisan Industry Co., Ltd. or Toyota Tsusho India Pvt. Ltd.
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;	Fiem Industries Ltd. is entitled to nominate one Director at the Board of JV Company.
5.	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	No such relationship.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	Transaction does not fall in related party transaction.
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Not Applicable
8.	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;	Fiem Industries Ltd. had nominated Mr. J.K. Jain as nominee Director at the Board of JV Company. He will resign in due course on the Company divesting its shareholding in the JV Company/ Termination of JV Agreement.
9.	<u>In case of termination</u> or amendment of agreement, listed entity shall disclose <u>additional</u> details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	a) Names of parties of JV Agreement given in point no. 1 above. b) Nature: Joint Venture Agreement. c) Date of execution: 30.03.2018. d) Reason for termination / Exit: The performance of JV Company remained below expectation and FIEM Industries Ltd. is now more focused on supply of products required for Electric Vehicle segment. Hence, decided to exit from JV Agreement / JV Company.

