

NATIONAL PLASTIC TECHNOLOGIES LTD.

Policy on determination of materiality for disclosure of events or information

Objective

This policy is framed pursuant to Regulation 30 of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations). The objective of this policy is to ensure timely and adequate disclosure of material events/information to the Stock Exchanges. Under Regulation 30(4)(II) of Listing Regulations, every listed entity has to formulate a policy for determination of the materiality of an event or information for the purpose of making disclosure to the Stock Exchanges and such policy is required to be disclosed on the Company's website. Listing Regulations provides a list of events for which the disclosures have to be made to the Stock Exchange based on the application of certain guidelines on materiality prescribed under Listing Regulations.

Taking into account the aforesaid requirements, the Company has formulated this policy which will govern the determination of the materiality of an event or information for the purpose of disclosures to be made by the Company to the Stock Exchanges.

Criteria for determination of materiality of events /information

The Company shall consider the following criteria for determination of the materiality of an event/information:

- 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 which is likely to result in significant market reaction if the said omission came to light at a later date;

In the case where the criteria specified in subclauses (a) and (b) are not applicable, an event/information may be treated as being material if, in the opinion of the Board of Directors of the listed entity, the event/information is considered material.

The following events shall be disclosed upon application of the guidelines for materiality referred above:

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 out by arrangements for strategic, technical, manufacturing or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirely or piecemeal).
3. 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.

4. 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.
5. Effect(s) arising out of a change in the regulatory framework applicable to the listed entity.
6. Litigation(s)/dispute(s)/regulatory action(s) with impact.
7. Fraud/defaults etc by Directors (other than Key Managerial Personnel) or employees of the listed entity.
8. Options to purchase securities including any ESOP/ESPS Scheme.
9. Giving of guarantees or indemnity or becoming a surety for any third party.
10. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Any other information/event viz. major development that is likely to affect the 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 of its position and to avoid the establishment of a false market in such securities.

Without prejudice to the generality of above, the Company may make disclosures of event/information as specified by the Board from time to time.