



NATIONAL PLASTIC INDUSTRIES LIMITED

POLICY FOR DETERMINING MATERIALITY OF EVENTS

1. OBJECTIVE

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately and promptly disseminated in pursuance with the Regulations.

2. EFFECTIVE DATE

This Policy is effective December 1, 2015.

3. DEFINITION

“Act” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“Board of Directors” or **“Board”** means the Board of Directors of National Plastic Industries Limited, as constituted from time to time.

“Company” means National Plastic Industries Limited.

“Key Managerial Personnel” mean key managerial personnel as defined in subsection (51) of section 2 of the Companies Act, 2013;

“Listing agreement” shall mean an agreement that is to be entered into between a recognised stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015.

“Listing Regulations” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

“Market Sensitive Information” shall mean information concerning the Company that a reasonable person would expect to have a material effect on the price or value of its securities or information which causes the market to maintain the price of security at or about its current level when it would otherwise be expected to move materially in a particular direction, given price movements in the market generally or in the Company’s sector.

“Policy” means this Policy for Determining Materiality of Events and as may be amended from time to time.

“Securities” means such securities as defined in section 2(h) of Securities Contracts (Regulation) Act, 1956;

“Subsidiary” means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013;

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Regulations or any other applicable law or regulation to the extent applicable to the Company.

4. MATERIAL EVENTS

The Listing Regulations divide the events that need to be disclosed broadly in two categories:

- i. The events that are deemed to be material events and have to be necessarily disclosed without applying any test of materiality are given in Para A of Part A of Schedule III of Listing Regulation. (**Annexure 1**)
- ii. Para A of Part A of Schedule III of Listing Regulation indicates the events that should be disclosed by the listed entity, if considered material. (**Annexure 2**) The disclosure of events shall be based on application of the guidelines for materiality as specified in Regulation 30(4) of the Listing Regulations which are mentioned in Clause 5 below.

5. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Events / information shall be considered as Material if it meets any of 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;
- (c) In case where the criteria specified in sub-clauses (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 Company, the event/information is considered material.

6. ANY OTHER EVENT/INFORMATION

Events/ Information that may include but are not restricted to-

- a. 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.
- b. Any other information which is exclusively known to the Company 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;
- c. Market Sensitive Information;
- d. Any event which in the view of the Board is material.

7. DISCLOSURES OF EVENTS OR INFORMATION

- a. Events specified at point no. 4 of Annexure 1 shall be made within thirty (30) minutes of conclusion of the conclusion of the Board Meeting.
- b. All other events specified in Annexure 1, other than those mentioned in the foregoing clause shall be disclosed by the Company as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:
 - i. inform the stock exchanges in which the securities of the Company are listed;
 - ii. upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

- c. The Company shall make disclosure of events as specified in Annexure 2 based on application of guidelines for determining Materiality as per clause 5 of the Policy.
- d. The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- e. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.
- f. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.

- g. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure 1 or Annexure 2, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

8. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMPs) consisting of the Managing Director and Chief Financial Officer/Vice President (Finance) of the Company shall jointly and severally have the authority to determine Materiality of any event or information and for the purpose of making disclosures of the same to stock exchange(s), subject to the provisions of this Policy.

The contact details of Company Secretary & Compliance Officer and Vice President (Finance), who shall act as coordinator between Managing Director and Chief Financial Officer and the stakeholders, shall be disclosed to the stock exchange and also be disseminated on the Company's website.

9. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

10. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

11. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.

Annexure 1

Events which shall be disclosed without any application of the guidelines for Materiality as specified in sub-regulation (4) of Regulation 30:

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 credit rating(s);
 4. Outcome of Meetings of the Board of Directors: The Company 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 Company 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 Company), 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;
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 Company;
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

Annexure 2

Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of Regulation 30:

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 Company 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;

The contact details of the Key Managerial Personnel and coordinator are as follows:

Name and Designation	Contact Details
Mr. Paresh Parekh, Managing Director Mr. Harsh Parekh, Chief Financial Officer Mr. Umesh Shenoy, Vice President (Finance) Ms. Swati Zavar, Company Secretary & Compliance Officer	National Plastic Industries Limited A-59, Road No. 1, Marol, Andheri (E), Mumbai - 400093. Phone No.: 022 - 67669999/931/914 Email Id: investor@nationalplastic.com / swatizavar@nationalplastic.com