

NILKAMAL LIMITED

Policy for Determination of Materiality of an Event or Information

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Policy for Determination of Materiality of an Event or Information

(In accordance with requirement of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.)

Preamble:

In terms of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Regulations”), Nilkamal Limited (hereinafter referred to as “the Company”) is required to frame a Policy for determination of materiality of events/information.

Purpose:

This Policy for determination of materiality of events/information aims at:

- ensuring that all investors have equal access to important information that may affect their investment decisions;
- ensuring that adequate and timely information is provided to investors;
- avoiding establishment of false market in the securities of the Company;

Objective:

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

Definitions:

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the Securities Exchange Board of India (Listing and Disclosure Obligations Regulations) Requirements, 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.

POLICY AND PROCEDURES

Guidelines for determining materiality of events/information:-:

1. All events/information stated in Para A of part A of schedule III to the SEBI Regulations (as listed in Annexure I to this Policy) are deemed to be material events and the Company is mandatorily required to make disclosure of such events.
2. In respect of events/information stated in Para B of Part A of Schedule III to the SEBI Regulations (Illustrative list of events listed in Annexure II to this Policy), the Company is required to make disclosure based on the criteria for determination of materiality of an event/information as set out below:-
 - (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 Managing Director and/or the CFO of the Company, the event/information is considered material.
3. In respect of events/information stated in Para C of Part A of Schedule III of the Regulations, the Company shall promptly disclose 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 financial statements of the Company etc. and brief details thereof and 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.

Authorised Person for Disclosure of events / information:

The Managing Director and the Chief Financial Officer of the Company shall be severally authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this Policy and disclose the same to the Stock Exchange.

The contact details of the persons authorised to determine materiality of events under this Policy are as follows:

Sr. No.	Name of the Key Managerial Personnel	Contact Details
1.	Mr. Sharad V. Parekh Managing Director	Tel.: 022 4235 8888
2.	Mr. Paresh B. Mehta Chief Financial Officer	Email id.: investor@nilkamal.com

Based upon the materiality of event determined by the Managing Director and/ or the Chief Financial Officer of the Company, the Managing Director or the Chief Financial Officer or the Company Secretary shall be severally authorised for dissemination of such events and information in accordance with provisions of the Regulations or any other law as may be applicable.

The Company shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and in accordance with the provisions of the Regulations, as may be amended from time to time.

The disclosures made under the Regulations shall be hosted on the website of the Company (www.nilkamal.com) and simultaneously communicated to the Stock Exchanges in the permitted mode. All disclosures shall be available on the website of the Company for a period of 5 years in accordance with the Archival Policy of the Company.

Amendments to the Policy

The Company is committed to continuously reviewing and updating the policies and procedures. Therefore, this policy is subject to modification. Any amendment of any provision of this policy must be approved by the Company's Board and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment.

ANNEXURE I: PARA A OF PART A OF SCHEDULE III OF THE REGULATIONS:

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 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
 - b) dividend and the date on which dividend shall be paid/dispatched;
 - c) any cancellation of dividend with reasons thereof;
 - d) the decision on buyback of securities;
 - e) the decision with respect to fund raising proposed to be undertaken 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) 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 Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.

- (7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- (7B) In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
- i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
 - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
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 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.
 16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - d. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - f. Appointment/ Replacement of the Resolution Professional;
 - g. Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

- i. Number of resolution plans received by Resolution Professional;
- j. Filing of resolution plan with the Tribunal;
- k. Approval of resolution plan by the Tribunal or rejection, if applicable;
- l. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- m. Any other material information not involving commercial secrets.

ANNEXURE II:

Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:

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 listed entity 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.