

NINtec Systems Limited

Policy for Determination of Materiality of Events

1. BACKGROUND:

As per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a listed entity is required to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, based on the criteria specified in Regulation 30 of the said Regulations and the same is also required to be disclosed on the Company's website.

2. EFFECTIVE DATE:

This Policy is effective from 30.05.2016.

3. OBJECTIVES:

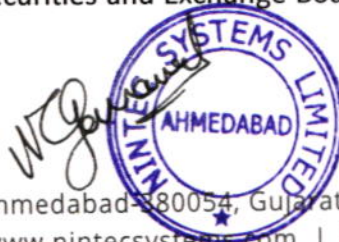
- a) This policy for determination of materiality of events or information (the "Policy") is aimed at providing guidelines to the management of NINtec Systems Limited (the "Company"), to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the stock exchange where the Company is listed (the "Stock Exchange").
- b) This Policy has been formulated in accordance with the provisions stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), with respect to disclosure of events and information. Pursuant to the Listing Regulations, the Board of Directors of the Company in its meeting held on 30th May, 2016 approved this Policy.
- c) To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- d) To ensure that to the best of the knowledge of the Management, the corporate documents and public statements are accurate and do not contain any misrepresentation.

4. DEFINITIONS:

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

"Board of Directors" means the board of directors of the Company, as constituted from time to time.

"Listing Agreement" shall mean an agreement to be entered into between the Stock Exchanges and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015.



NINtec Systems Limited

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"Material Event" or "Material Information" shall mean such event or information as may be determined in terms of Clause 5 of the Policy. In the Policy, the words, "material" and "materiality" shall be construed accordingly.

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

5. KEY PRINCIPLES FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION:

Events / Information shall be considered as Material if it meets any of the appended criteria: (Pursuant to sub-regulation 4 of Regulation 30 & Para B of Part A of Schedule III of the Listing Regulations - Applicable to events / information).

➤ Qualitative Principles for Determination of Materiality

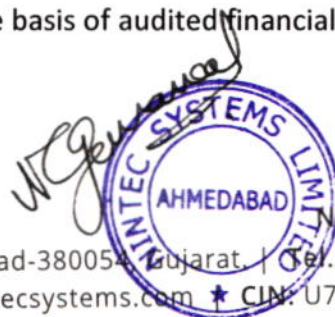
The Company shall consider the following criteria for determination of Materiality of Event or Information:

- 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 is likely to result in significant market reaction if the said omission came to light at a later date;
- c. in the event where the criteria specified in sub-clauses (a) and (b) of this Clause are not applicable, an event or information may be treated as being material if in the opinion of the Board, the event or information is considered material.

➤ Quantitative Principles for Determination of Materiality

The Company shall consider the following criteria for determination of Materiality of Event or Information:

- a. where the value involved or the impact exceeds 50% of the net worth (threshold shall be taken as trigger);
- b. the above threshold shall be determined on the basis of audited financial statements of last audited financial year.

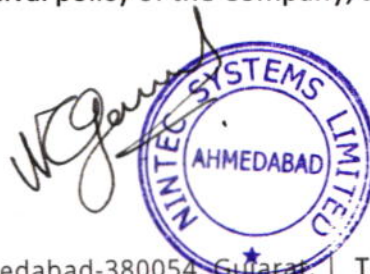


If a particular event/information in question satisfies any of the 'Qualitative' or 'Quantitative' criteria, the Company shall be under an obligation to disclose the same to the Stock Exchange.

Provided that any confidential information which if disclosed is likely to put at risk the business interest of the Company shall not be disclosed. The Company to that extent shall make qualified disclosure to the stock exchanges.

6. DISCLOSURE OF EVENTS OR INFORMATION:

- a) The Company shall make disclosure of events specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality to the Stock Exchanges within the specified timelines.
- b) The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations, based on determination of Materiality of Events or Information as specified in Clause 5 of this Policy.
- c) The Company shall disclose the information to the Stock Exchanges in accordance with the Listing Regulations and circulars issued by the Securities and Exchange Board of India (the "SEBI") from time to time.
- d) Any other event or information namely major development that is likely to affect business, such as emergence of new technologies, any change of accounting policy that may have a significant impact on the accounts and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the shareholders of the Company to appraise its position and to avoid the establishment of a false market in such securities, would be disclosed as advised by the Board from time to time.
- e) The Company shall provide specific and adequate reply to all queries raised by the Stock Exchange with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to the Stock Exchange reported in the media.
- f) All such events or information which has been disclosed to the Stock Exchanges under the Listing Regulations shall be made available on the Company's website. Such events or information shall be placed on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.



7. AUTHORITY TO KEY MANAGERIAL PERSONNEL:

As per the Committee constituted for the purpose of determining materiality of event as per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Managing Director of the Company singly or The Chief Financial Officer and Company Secretary severally/jointly is/are Authorized Persons for the said purpose.

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- a) To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b) To determine the appropriate time at which the disclosures are to be made to the stock exchange based on an assessment of actual time of occurrence of an event or information.
- c) To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved / closed, with relevant explanations.

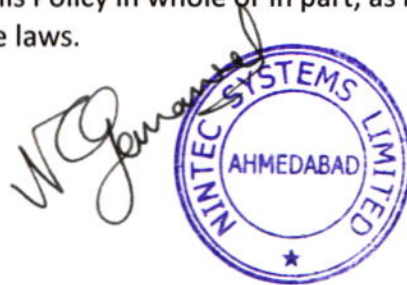
8. SCOPE AND LIMITATION:

In the event any provisions of this Policy are contrary to or inconsistent with the Listing Agreement, the Act, the Listing Regulations or the circulars issued by SEBI in this regard or any other applicable law, this Policy shall stand modified to that extent.

9. AMENDMENT:


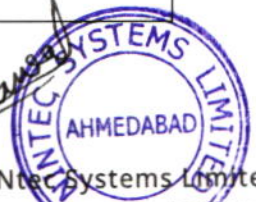
This Policy is subject to review from time to time. If there be any inconsistency between the terms of the Policy and the SEBI Listing Regulations, the provisions of the Listing Regulations shall prevail. Any amendments to the SEBI Listing Regulations shall mutatis mutandis be deemed to have been incorporated in this Policy.

The Board reserves the right to amend or modify this Policy in whole or in part, as may be required, at any point of time, subject to applicable laws.



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Sr. No.	Material Events (As per Para A of Part A of Schedule III) (Events to be disclosed without any application of the guidelines for materiality as prescribed 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 Company or any other restructuring.
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 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.
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 Company 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 Company.
14	Amendments to memorandum and articles of association of the Company, in brief.
15	Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

Sr. No.	Material Events (As per Para B of Part A of Schedule III)
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 Company
8	Litigation(s) / dispute(s) / regulatory action(s) with impact.
9	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
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.
13	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 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.

