

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:

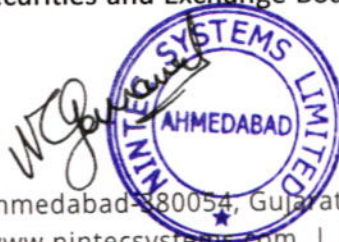
- a) This policy for determination of materiality of events or information (the "Policy") is aimed at providing guidelines to the management of NINtec Systems Limited (the "Company"), to determine the materiality of events or information, which could affect the investment decisions and ensure timely 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.



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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**

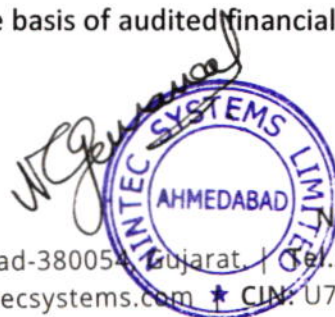
The Company shall consider the following criteria for determination of Materiality of Event or Information:

- 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.

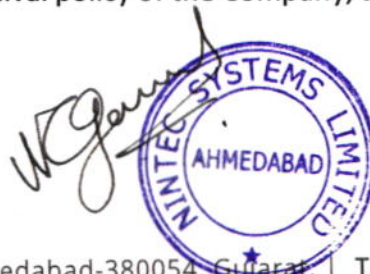


If a particular event/information in question satisfies any of the 'Qualitative' or 'Quantitative' criteria, the Company shall be under an obligation to disclose the same to the Stock Exchange.

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.



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