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## Policy for determination of Materiality and Disclosure

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### I. PREAMBLE

The Board of Directors of National Aluminium Company Ltd. ("The Company") has adopted the **Policy for Determination of Materiality and Disclosure** to ascertain the requirement of disclosure of events or information to stock exchange(s) and defining criteria for determining materiality of events and information specified under clause (ii) of sub-regulation (4) of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### II. PURPOSE

This policy is framed as per requirements of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Regulations] to enable investors to make well-informed investment decisions on basis of timely, adequate and accurate disclosure of information/event on an ongoing basis.

### III. INTERPRETATION

Words or Expressions used in this policy shall have same meaning as given under the SEBI (LODR) Regulations or under the Companies Act, 2013. Further, in case of inconsistency between any provisions of this policy with any existing policy (ies) of the Company, provisions of Policy for Determination of Materiality of Events or Information will prevail.

### IV. DISCLOSURE

Events/ information mentioned in the following Annexures I, II & III to this policy shall be disclosed to the Stock Exchanges in manner specified therein:

**Annexure I - Information to be disclosed to the Stock Exchanges within 30 minutes of the conclusion of the Board /Committee Meeting or such other time as may be prescribed under SEBI LODR Regulations**

**Annexure II - Events/ Information to be disclosed within 24 hours of information, without applicability of guidelines for materiality**

**Annexure III- Events/ Information to be disclosed within 24 hours of information, if it satisfies test of materiality.**



Further, where the Company makes disclosures to the Stock Exchanges as per Annexures referred above, the Company will also disclose material developments, as may be decided by the Competent Authority on a regular basis.

## **V. TEST OF MATERIALITY**

In order to determine whether a particular event / information is material in nature, the following 'quantitative' or 'qualitative' criteria(s) shall be applied:

- a) **Quantitative Criteria:** Where the value involved in an event or the impact of an event exceeds 5% of the gross turnover or revenue or total income; or exceeds 5% of the net worth, as per the audited financial statements of last financial year, whichever is lower.
- b) **Qualitative Criteria:** In absence of quantitative criteria, event shall be considered material if;
  - i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
  - ii. 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; or
  - iii. event or information as may be decided material by the Competent Authority approved by the Board.

## **VI. COMPETENT AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENT/INFORMATION OR MATERIAL DEVELOPMENT**

The concerned functional Director(s) and Chairman-cum-Managing Director jointly shall determine the materiality of any event/information or development for the purpose of making disclosure to the Stock Exchanges

## **VII. PROCEDURE FOR DISCLOSURE**

The concerned Head of Department/ Project in consultation with concerned Executive Director shall prepare a draft, which shall be forwarded to Company Secretary and Chief Investor Relations Officer nominated as per "Code of Practices and Procedures for fair disclosure of unpublished price sensitive information and Code of Conduct to regulate,



monitor and report trading by Insiders” for taking approval of the concerned functional Director(s) and Chairman-cum-Managing Director.

The draft should contain information as may be required under SEBI Regulations and modified from time to time or any other statute as may be necessary to enable investors to make well-informed investment decisions.

All Head of Department/ Project of the Company shall be under an obligation to make disclosure as per the policy immediately on happening of any such event. After approval of the Competent Authority, disclosure shall be made to the Stock Exchanges by the Company Secretary and Chief Investor Relations Officer.

#### **VIII. HOSTING ON WEBSITE**

The above disclosures will be available on the website of the Company for a minimum period of five years.

#### **IX. AMENDMENTS**

The Chairman-cum-Managing Director may, subject to the applicable laws, amend any Provision (s) or substitute any of the provision(s) with new provision(s) or replace the Policy entirely with a new Policy, as and when required. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

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ANNEXURE-I

Information to be disclosed to the Stock Exchanges within 30 minutes of the conclusion of the Board /Committee Meeting or such other time as may be prescribed under SEBI LODR Regulations.

- i. 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;
- ii. any cancellation of dividend with reasons thereof;
- iii. the decision on buyback of securities;
- iv. the decision with respect to fund raising proposed to be undertaken;
- v. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
- vi. 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;
- vii. short particulars of any other alterations of capital, including calls;
- viii. approval of Financial Results;
- ix. decision on voluntary delisting by the Company from stock exchange(s).

**Events/ Information to be disclosed within 24 hours of information, without applicability of guidelines for materiality**

Events or information, as mentioned hereunder, shall be disclosed to stock exchange(s) as soon as reasonably possible and not later than twenty four hours from the occurrence of event or receipt of information thereof. In case the disclosure is made after twenty four hours of occurrence of the event or information, such disclosure shall provide explanation for delay.

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.

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 Company 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, alteration of calls, redemption of securities etc.
  3. Revision in Rating(s).
  4. Agreements (viz. shareholder agreement(s), joint venture 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.



5. Fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.
6. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
7. In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
8. In case of resignation of an independent director of the Company, 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 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 Company to the stock exchanges.
9. Appointment or discontinuation of share transfer agent.
10. Corporate debt restructuring.
11. One time settlement with a bank.
12. Reference to BIFR and winding-up petition filed by any party / creditors.
13. 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.
14. Proceedings of Annual and extraordinary general meetings of the listed entity.
15. Amendments to memorandum and articles of association of listed entity, in brief.



16. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
17. 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.

Events/ Information to be disclosed within 24 hours of information, if it satisfies test of materiality.

Events or information, as mentioned hereunder shall be disclosed to stock exchange(s) as soon as reasonably possible but not later than twenty four hours from the occurrence of event or receipt of information, if found to be material as per test of materiality given in Para V. In case the disclosure is made after twenty four hours of occurrence of the event or information, such disclosures shall provide explanation for delay.

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.

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