



1. Legal Framework:

The “Policy for determining ‘materiality’ of Events and Information” (hereinafter called “the Policy / Disclosure Policy”), is required to be framed in accordance with Regulation 30(4)(ii) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective 1st day of December, 2015. The Board of Directors (the “Board”) of Nagarjuna Agrichem Limited (the “Company”) is hence obliged to formulate this “Policy for determining ‘materiality’ of Events and Information” to comply with the requirements of the aforesaid regulations.

2. Objective:

The Objectives of the Policy are as follows:

- a) To ensure compliance with the provisions of Regulation 30(4)(ii) of the Listing Regulations.
- b) To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded Company as laid down by the Listing Regulations, various Security Laws and any other Regulations.
- c) To ensure that the information disclosed by the Company is timely and transparent.
- d) To ensure that the corporate documents and public statements are accurate and do not contain any misrepresentation.
- e) To ensure uniformity in the Company’s approach in disclosure, raise awareness between the stakeholders and reduce the risk of selective disclosures.

3. Definitions:

- a) “Act” means Companies Act, 2013 and Rules prescribed there under, including any statutory amendment or modification thereof.
- b) “Audit Committee” means a Committee of the Board constituted pursuant to the Section 177 of the Act and Regulation 18 of LODR.
- c) “Board” means the Board of Directors of the Company.
- d) “Company” shall mean “Nagarjuna Agrichem Limited”.
- e) “Compliance Officer” shall mean the Company Secretary of the Company.



- f) “Control” shall include the right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder agreements or voting agreements or in any other manner.
- g) “Holding Company” means a Company as defined in section 2(46) of the Act.
- h) “Independent Director” means a Director of the Company, not being a Whole-time Director and who is neither a Promoter nor belongs to the Promoter group of the Company, and who satisfies the criteria of independence under the Act and LODR.
- i) “Key Managerial Personnel” also abbreviated as KMP means, the key managerial personnel as defined under Section 203 of the Companies Act, 2013.
- j) “Listing Regulations” means the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (hereinafter called as ‘LODR’) including any statutory amendment or modification thereof
- k) “Material Subsidiary” shall mean a subsidiary, whose income or networth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding financial year.
- l) “Net Worth” shall mean the net worth as computed based on the last audited financial statements of the Company.
- m) “Significant Transactions or Agreement” implies any individual transaction or arrangement that exceeds or is likely to exceed ten percent (10%) of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the material unlisted subsidiary for the immediately preceding accounting year.
- n) “Stock Exchange” shall mean BSE Limited.
- o) “Subsidiary” means subsidiary as defined under Section 2(87) of the Act.



4. Interpretation:

The terms that have not been defined in this Policy shall have the same meaning as assigned to them in the Act or LODR or any other Rules / Regulations, as amended from time to time.

5. Principles for determining materiality:

The Listing Regulations divide the information / events to be disclosed broadly in two categories:

- a) The events which shall be disclosed mandatorily without applying any test of materiality as indicated in Para A of Part A of Schedule III of the Listing Regulations.
- b) The events to be disclosed by the Company if considered material, as indicated in Para B of Part A of Schedule III of the Listing Regulations.

6. Events which shall be deemed material:

Events, as specified in Para A of Part A of schedule III of the Listing Regulations, which shall be deemed to be material events without applying the guideline for materiality and the Company shall make disclosure to the Stock Exchange and also on the Company's website are mentioned hereunder:

- a) 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.
- b) 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.
- c) Revision in Rating(s).
- d) Outcome of meetings of the Board of the Company held to consider:
 - i) the decision on buyback of securities;
 - ii) the decision with respect to fund raising proposed to be undertaken;



- iii) 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;
 - iv) any cancellation of dividend with reasons thereof;
 - v) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall 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) financial results;
 - ix) decision on voluntary delisting by the Company from stock exchange(s).
- e) 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.
- f) Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- g) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- h) Appointment or discontinuation of share transfer agent.
- i) Corporate debt restructuring.
- j) One time settlement with a bank.
- k) Reference to BIFR and winding-up petition filed by any party / creditors.
- l) Proceedings of Annual and Extraordinary General meetings of the listed entity.



- m) 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.
- n) Amendments to memorandum and articles of association of listed entity, in brief.
- o) Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

7. Events which shall be considered material by applying test of materiality:

The Events as described in the Regulation 30 read with Para B of Part A of Schedule III of Listing Regulations, which shall be disclosed on application of the guidelines of materiality prescribed under Regulation 30(4) of LODR (and also specified in clause 8 below) , are mentioned hereunder:

- a) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- b) 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).
- c) Capacity addition or product launch.
- d) Awarding, bagging / receiving, amendment or termination of awarded / bagged orders / contracts not in the normal course of business.
- e) 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.
- f) 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.
- g) Effect(s) arising out of change in the regulatory framework applicable to the listed entity.



- h) Litigation(s) / dispute(s) / regulatory action(s) with impact.
- i) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- j) Options to purchase securities including any ESOP/ESPS Scheme.
- k) Giving of guarantees, indemnity or becoming a surety for any third party.
- l) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- m) 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.

8. Guidelines for determining Materiality:

The guidelines as mentioned under in sub-Regulation (4) of Regulation (30) of the Listing Regulations which shall be preferred for determining materiality events/information mentioned in clause 7 above:

- a) the omission of an event, 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 listed entity, the event / information is considered material.

9. Other event / information which may be disclosed:

Other information or event which is likely to affect business may also be disclosed as a good practice so as to aware all stakeholders with the operations and insights of the Company are mentioned hereunder:

- a) Emergence of new technologies;



- b) Expiry of patents;
- c) Any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof;
- d) Any other information which is exclusively known to the Company which may be necessary to the shareholders;
- e) Market Sensitive Information;
- f) Any event which in the view of the Board is material.

10. Administration:

The Key Managerial Personnel appointed by the Board of Director, shall be authorized to determine the materiality of event / information mentioned in clause 7 and clause 9 above and disclosure of same to the Stock Exchange and also host it on the Company's website, whereas the events / information as mentioned in clause 6 of this Policy shall be disclosed mandatorily by the compliance officer without applying the test of materiality. All the appointed Key Managerial Personnel shall together determine the eligibility, but the final decision shall rest with the Managing Director of the Company. The contact details of the personnel who shall coordinate with the stakeholders and shall answer their queries shall also be displayed on the Company's website and also disclosed to the Stock Exchange.

The KMP's shall have the following powers and responsibilities for determining the materiality of events and information, and disclosing the same to the Stock Exchange:

- 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 of time.
- b) To determine the appropriate time at which the disclosure is to be made. Based on the assessment of actual time of the occurrence of the event.
- c) To consider other events or information to be disclosed to the stock exchange which are not defined in the Listing Regulations.
- d) To seek expert opinion to determine materiality of such events.



11. Guidance on and when an Event/ Information is deemed to be occurred:

- a) The events/information shall be said to have occurred upon receipt of approval of Board of Directors or upon receipt of approval of both i.e. the Board of Directors and Shareholders, as the case may be;
- b) The events/ information that may be price sensitive e.g. decision on declaration of dividends etc., then disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.
- c) In the event of natural calamities, disruptions, etc. can be said to have been occurred when the Company becomes aware of the events / information, or as soon as an officer of the entity have or ought to have reasonable information in the course of performance of his duties.

12. Disclosure:

The disclosure of the events and information as stated in Clause 6, 7 & 9 (if so decided to be disclosed, in terms of this Policy) of this Policy shall be made to the Stock Exchange and also be hosted on the Company's website.

The Key Managerial Personnel shall observe the following for proper and timely disclosure of any material event / information as defined hereunder:

- a) For determining materiality of any event/transaction, reference is to be made to this Policy and the Listing Regulations.
- b) Disclosure of the events as enumerated in clause 6(d) above shall be made within 30 (thirty) minutes of the conclusion of the Board meeting at which such event were discussed along with the time of commencement and conclusion of the meeting.
 - a) Subject to aforesaid sub-clause (b) of this clause, all other events as mentioned clause 6 and 7 above shall be disclosed by the Company as soon as reasonably possible but not later than 24 (twenty four) hours from the occurrence of the event .
 - b) Disclosure of any material development shall be made on a regular basis of any event, till the time the event is resolved/ closed.



- c) The details with regard to fraud or default by Director/ Promoter/KMP shall be disclosed at the time of unearthing of the fraud or occurrence of default.
- d) The Stock Exchange shall also be intimated further details regarding the same including actual amount of fraud / default, actual impact of such fraud/ default on the Company and its financials and corrective measures taken thereon.
- e) The Stock Exchange shall be regularly updated about change in the status and/or any development thereon till the litigation or dispute is concluded or resolved.
- f) All the disclosures made under this policy to the Stock Exchange shall also be disclosed on the Company's website, and same shall be hosted for such period as described in the Company's 'Policy on Preservation and Archival of Documents'.
- g) In case where an event occurs or information is available with the Company, which has not been indicated above, but which may have material effect on it, the Company shall make adequate disclosure of the same.

13. Review of the Policy:

This Policy shall be subject to be reviewed by the Board of Directors as may be deemed necessary as per any regulatory amendments and shall be disseminated on the Company's website.

In case of any amendment(s), clarification(s), circular(s) etc. thereof, issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions in this Policy and this Policy shall stand amended accordingly from the effective date as laid down under such amendment (s), clarification (s), circular (s) etc.
