

NAGARJUNA OIL REFINERY LIMITED

POLICY ON DISCLOSURE OF MATERIAL EVENTS

1. OBJECTIVE

Nagarjuna Oil Refinery Limited (“Company”) has adopted this Policy on Disclosure of Material Events (“Policy”) with effect from December 1, 2015 in pursuance to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The Policy may be amended at any time and is subject to

- a) amendments to the Companies Act, 2013
- b) further guidance from the SEBI and
- c) consequential actions taken by the Board of Directors or the Audit Committee of the company

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 in a transparent manner for the benefit of all stakeholders.

The events mentioned are indicative and are not exhaustive and the Board of Directors of the company shall from time to time decide on disclosure of events, whether material or otherwise if the events impact any particular stakeholder of the company.

The events impacting any particular stakeholder shall be disclosed in accordance with the time frames mentioned in any statutory enactment or in the absence of the same, within the period of 24 hours of the happening of the event.

2. CLASSIFICATION

2.1. Material Events which shall be disclosed to the Stock Exchanges within 30 minutes from the closure of the meeting of the Board of Directors

- 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(s).
- j) any other matter which will effect any other stakeholders of the company whether the same results in financial implications or not.

2.2 Material Events to be disclosed to the Stock Exchanges within 24 hours from the occurrence of event or information without any application of the guidelines for Materiality.

Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for delay

- 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 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.

- 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) 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.
- (e) Fraud/defaults by promoter or key managerial personnel or by Company or arrest of key managerial personnel or promoter.
- (f) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- (g) Appointment or discontinuation of share transfer agent.
- (h) Corporate debt restructuring.
- (i) One time settlement with a bank.
- (j) Reference to BIFR and winding-up petition filed by any party /creditors.
- (k) 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.
- (l) Proceedings of Annual and extraordinary general meetings of the Company.
- (m) Amendments to memorandum and articles of association of Company, in brief.
- (n) Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;
- (o) any other matter which will effect any other stakeholders of the company whether the same results in financial implications or not.

2.3 Other Events which shall be disclosed to the Stock Exchanges upon applicability of criteria specified in this Policy The event/information shall be disclosed to the Stock Exchanges as soon as reasonably possible and not later than 24 hours:

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

2.4 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

- 2.5 The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

3 AUTHORISATION TO DISCLOSE

The Board will authorize the Compliance Officer (unless otherwise notified by the Board) for the purpose of determining Materiality of an event or information and for the purpose of making disclosures to the Stock Exchanges and the contact details of such personnel shall be also disclosed to the stock exchange(s) and as well as on the Company's website.

The Compliance Officer (unless otherwise notified by the Board) authorized for the purpose, will be responsible for administering this Policy, determining the materiality of events or information in relation to the Company and monitoring compliance by the Company with disclosure obligations applicable to it.

4 CONTINUOUS DISCLOSURES

The Company shall, with respect to disclosures referred to in this regulation, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations

5 RETENTION OF DOCUMENTS

The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company