

NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED

POLICY ON DISCLOSURE OF MATERIAL EVENTS OR INFORMATION

EFFECTIVE FROM NOVEMBER 14, 2023

I. SCOPE OF POLICY

The Equity Shares of Nagarjuna Fertilizers and Chemicals limited (“the Company”) are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (collectively the “Stock Exchanges”). Pursuant to the requirement under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) for the purpose of determining the materiality of an event, transaction or information, specified in Para A and Para B of Part A of Schedule III, the Board of Directors (the “Board”) has framed and adopted this Policy on Disclosure of Material Events (“Policy”).

The Company recognizes its responsibilities towards its investors for dissemination of material Information in a fair transparent and timely manner.

II. DEFINITIONS

- a) “**Board of Directors**” shall mean the Board of Directors of Nagarjuna Fertilizers and Chemicals Limited, as constituted from time to time.
- b) “**Company**” means Nagarjuna Fertilizers and Chemicals Limited
- c) “**Key Managerial Personnel**” shall have the meaning as defined under the Companies Act, 2013
- d) “**Listing Regulations**” mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

e) **“Material Event” “Material Transaction”** or **“Material Information”** shall mean such event or information as set out in the Listing Regulations or as may be determined in terms of this policy. In the policy, the words, “material” and “materiality” shall be construed accordingly.

f) **“Subsidiary”** means a subsidiary as defined under 2 (87) of Companies Act, 2013.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, Listing Regulations, or any other applicable law or Regulation.

III. **AUTHORITY**

This Policy has been adopted by the Board of Directors of the Company, at its Meeting held on November 14, 2023.

IV. **AUTHORISED PERSON**

The Board of Directors of the Company has authorized the Managing Director, in charge of business, to determine the materiality of an event, transaction or information.

The Company Secretary to disclose the said information to the Stock Exchanges and also on the Company’s website on a timely basis.

In the event of absence of the Managing Director on account of vacancy, leave, temporary inaccessibility for any reason, his powers and functions shall be undertaken by a Chief Financial Officer.

V. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION

Materiality will be determined on a case to case basis depending upon the facts and circumstances pertaining to the event, transaction, and / or information. The Managing Director shall frame his opinion on a case to case basis, based on specific facts and circumstances relating to materiality of the event, transaction or information.

The event, transaction or information specified in Para A of Part A of Schedule III of the Regulations shall be disclosed to the Stock Exchanges without any application of guideline for materiality.

The events or information specified in Para B of Part A of Schedule III of the Listing Regulations, shall be disclosed upon application of guidelines for materiality and the disclosure process described in the policy.

The Managing Director may consider the below guidelines for determining materiality of event, transaction or information. The event, transaction or information shall be considered as material if it meets any of the following criteria:

- 1) The omission of an event, transaction or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- 2) The omission of an event, transaction or information is likely to result in significant market reaction if the said omission came to light at a later date;
- 3) The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

1. two percent of turnover, as per the latest audited consolidated financial statements of the listed entity;
 2. two percent of the net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of net worth is negative;
 3. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;
- 4) In case where the criteria specified in sub-clauses (a),(b) and (c) is not applicable, an event, information or transaction may be treated as being material if in the opinion of Board of Directors of the Listed entity, the event or information is considered material;
- 5) The event or information is in any manner unpublished price sensitive information;
- 6) The transaction represents a significant shift from the company's strategy;
- 7) Any other event, transaction or information, which is treated as being material in the opinion of the Board of Directors of the company.

VI. DISCLOSURES OF EVENTS AND INFORMATION

- a) Event and Information specified in Part A of Schedule III shall be disclosed to the Stock Exchanges by the Company as soon as reasonably possible and in any case not later than the following:
- i. thirty minutes from the closure of the meeting of Board of Directors in which the decision pertaining to the event or information has been taken;
 - ii. twelve hours from the occurrence of event or information, in case the event or information is emanating from within the listed entity;

- iii. twenty four hours from the occurrence of event or information, in case the event or information is not emanating from within the listed entity;
- b) In case the disclosure is made after the timelines specified under this regulation, the Company shall along with the disclosures provide an explanation for delay of the same.
- c) The Company shall disclose all the events or information with respect to its subsidiaries which are material for the Company.
- d) The Company entity may on its own initiative, confirm or deny any reported event or information to stock exchange(s). It shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumors of an impending specific material event or information in terms of the provisions of this regulation are circulating amongst the investing public, as soon as reasonably possible and not later than twenty four hours from the reporting of the event or information. If the Company confirms the reported event or information, it shall also provide the current stage of such event or information.
- e) In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.
- f) In case an event or information is required to be disclosed by the Company in terms of the provisions of Listing regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

- g) In some cases there may be ambiguity as to when an event, transaction, or information can be said to have occurred. In certain cases, it would depend upon the stage of discussion, negotiation or approval. The event, transaction, or information can be said to have occurred upon receipt of approval of Board of Directors and/or Shareholders or actual signing of the agreement after receiving the above said approvals.
- h) In cases where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc., the answer to the above question would depend upon the timing when the listed entity became aware of the event, transaction, or information.
- i) The event, transaction, or information can be said to have occurred when the Company becomes aware of the event, transaction, or information, or as soon as, the Managing Director of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

VII. CONTINUOUS DISCLOSURES

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

VIII. DISCLOSURE PROCESS

- Any event, transaction, or information purported to be reportable under Regulation 30 of the Listing Regulations shall be informed to the Managing Director, on an immediate basis with supporting data / information to facilitate a prompt and appropriate disclosure.
- The Managing Director shall be responsible and authorized for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this policy.

- After evaluation, the Company Secretary or in his absence any authorized official of the Company shall make disclosure to the Stock Exchanges.
- The Company shall file the reports, statements, documents, filings and any other information with the stock exchange(s) on the electronic platform as specified by the Board or the stock exchange(s) and subsequently disclose the same via other media, including the press release, website, etc.
- Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure.
- Regular updates, where relevant, shall be made with relevant explanations.

IX. POLICY REVIEW

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the Listing Regulations and remains effective. This Policy is framed based on the provisions of the Listing Regulations, in case of any subsequent amendments to the Listing Regulations which makes any of the provisions in the Policy inconsistent; the provisions of the Listing Regulations shall prevail. This Policy shall be subject to review, if necessary. Any change / amendments in applicable laws with regard to Policy for Determination of Materiality shall be deemed to be covered in this Policy without any review.

The Board of Directors has the right to change / amend the policy as may be expedient taking into account the law for the time being in force.

X. RETENTION OF INFORMATION

The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing 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.