

NEELAMALAI AGRO INDUSTRIES LTD.

POLICY ON DISCLOSURE OF MATERIAL EVENTS OR INFORMATION

I. PREAMBLE

The Securities and Exchange Board of India ("SEBI"), vide its Notification dated September 2, 2015, has issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Regulations come into force from December 1, 2015 to all Companies listed with the recognized Stock Exchanges.

In terms of Regulation 30(4) of the Listing Regulations, "Neelamalai Agro Industries Limited" (the Company) is required to formulate a policy to be approved by the Board for determination of materiality (this "Policy") based on criteria specified in the Listing Regulations. This Policy will be hosted on the website of the Company.

II. OBJECTIVE

The objective of this Policy is to determine the event(s) and information(s) which, in the opinion of the Board of Directors of the Company, are considered material and need to be disclosed to the Stock Exchanges within the time limit as prescribed in this Policy, thereby ensuring a timely and balanced disclosure of all material matters concerning the Company.

III. DEFINITIONS

"Audit Committee or Committee" means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, and/or the Companies Act, 2013.

"Board of Directors or Board" means the Board of Directors of Neelamalai Agro Industries Limited, as constituted from time to time.

"Company" means a Company incorporated under the Companies Act, 1956 or under any other act prior to or after Companies Act, 1956.

"Independent Director" means a Director of the Company, not being a whole time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 and the SEBI's LODR, 2015 entered into with the stock exchanges.

"Policy" means Policy on Disclosure of Material Events.

"Material Events" are those that are specified in Para A of Part A of Schedule III of the LODR.



“Other Events” are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4).

“LODR” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

“Key Managerial Personnel” (KMP) of the Company includes Managing / Whole-time Directors, Chief Financial Officer / Vice President Finance and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.

IV. GUIDELINES FOR DETERMINING MATERIALITY

The Board shall, as per the guidelines prescribed in Regulation 30 read with Schedule III of the Listing Regulations, make disclosures of any events or information which, in the opinion of the Board, are Material or events or information which may affect the performance or the share price of the Company, to the Stock Exchanges within the time limit as prescribed herein below:

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

1. 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;
2. Any cancellation of dividend with reasons thereof;
3. Decision on buyback of securities;
4. Decision with respect to fund raising proposed to be undertaken
5. Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
6. 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;
7. Short particulars of any other alterations of capital, including calls;
8. Financial results;
9. Decision on voluntary delisting by the listed entity from stock exchange(s).



B. 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:

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 listed entity 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 listed entity 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, reissue of forfeited securities, alteration of calls, redemption of securities etc.

3. Revision in Rating(s).

4. 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.

5. Fraud/defaults by promoter or key managerial personnel or by listed entity 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. Appointment or discontinuation of share transfer agent.

8. Corporate debt restructuring.

9. One time settlement with a bank.



10. Reference to BIFR and winding-up petition filed by any party / creditors.

11. 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.

12. Proceedings of Annual and extraordinary general meetings of the listed entity.

13. Amendments to memorandum and articles of association of listed entity, in brief.

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

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

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit or 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 or division (entirety or piecemeal).
3. Capacity addition or product launch.
4. Awarding, bagging or receiving, amendment or termination of awarded or bagged orders or 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) or dispute(s) or 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 Employee Stock Option Plan/Employee Stock Purchase 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.

D. Disclosure of other event or information which may likely affect the business of the Company. The event or information shall be disclosed to the Stock Exchanges as soon as reasonably possible and not later than 24 hours:

1. Emergence of new technologies.
2. Expiry of patents.
3. Any change of accounting policy that may have a significant impact on the accounts.
4. 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.
5. Events or information with respect to Subsidiaries which are Material for the Company.

In addition to the event/ information prescribed in sub - clauses A., B., C., D of Clause IV, the Company will make disclosure of event or information to the Stock Exchanges as specified by the SEBI from time to time.

V. Guidelines for Assessing Materiality

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information. The following criteria will be applicable for determining materiality of event or information:

- a) The omission of an event or information which is likely to:
 - result in a discontinuity or alteration of an event or information already available publicly; or
 - result in significant market reaction if the said omission came to light at a later date;
- b) In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.



VI. AUTHORISATION TO DISCLOSE

The Board will authorize one or more Key Managerial Personnel for the purpose of determining Materiality of an event or information and for the purpose of making disclosures to the Stock Exchanges.

The Key Managerial Personnel, 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.

The contact details of the Key Managerial Personnel, so authorized, will be disclosed to the Stock Exchanges and will be placed on the website of the Company.

VII. POLICY REVIEW

The KMP(s) may review the Policy from time to time. Material changes to the Policy will need the approval of the Board of Directors.

VIII. WEBSITE

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company.

IX. Amendment

The Board has the right to amend or modify this Policy in whole or in part, at any time, without assigning any reason whatsoever, subject, however, to the condition that such alterations will be in consonance with the provisions of the Applicable Law.

X. Disclaimer

Nothing contained in this Policy shall operate in derogation of any law for the time being in force or of any other regulation in force.

In any circumstance where the terms of this Policy differ from any Applicable Law governing the Company, such Applicable Law will take precedence over this Policy and procedures until such time as this Policy is modified in conformity with the Applicable Law.

