



## **MANGALORE REFINERY AND PETROCHEMICALS LIMITED**

**(A Subsidiary of Oil and Natural Gas Corporation)**

**Website: [www.mrpl.co.in](http://www.mrpl.co.in)**

**CIN: L23209KA1988GOI008959**

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### **MRPL POLICY FOR DISCLOSURE OF MATERIAL EVENTS AND INFORMATION**

#### **1.0 PREAMBLE**

Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as SEBI Listing Regulations, 2015, provides for disclosure of events and information as under:

- (1) Every listed entity shall make disclosures of any events or information which, in the opinion of the board of directors of the listed company, is material.
- (2) Events specified in Para A of Part A of Schedule III are deemed to be material events and listed entity shall make disclosure of such events.
- (3) The listed entity shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified in sub-regulation (4).
- (4) (i) The listed entity shall consider the following criteria for determination of materiality of events/ information:
  - (a) the omission of an event or information, which 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.

- (ii) The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.
- (5) The board of directors of the listed entity shall 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 stock exchange(s) under this regulation and the contact details of such personnel shall be also disclosed to the stock exchange(s) and as well as on the listed entity's website.
- (6) The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information:  
Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay:  
Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within thirty minutes of the conclusion of the board meeting.
- (7) The listed entity 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.
- (8) The listed entity 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 listed entity for a minimum period of five years and thereafter as per the archival policy of the listed entity, as disclosed on its website.
- (9) The listed entity shall disclose all events or information with respect to subsidiaries which are material for the listed entity.
- (10) The listed entity shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information:  
Provided that the stock exchange(s) shall disseminate information and clarification as soon as reasonably practicable.

- (11) The listed entity may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- (12) In case where an event occurs or an information is available with the listed entity, 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 listed entity is required to make adequate disclosures in regard thereof.

## **2.0 APPLICABILITY**

Pursuant to Regulation 30 of the SEBI Listing regulations, 2013, the MRPL Policy for disclosure of material events and information has been formed. This Policy shall be applicable to all the material events and information to be reported to the Stock Exchanges and shall be effective from the date of approval of the Board of Directors of the Company w.e.f. 20<sup>th</sup> April, 2016.

## **3.0 CLASSIFICATION OF MATERIAL EVENTS/INFORMATION**

### **3.1 Deemed Material Event/Information**

The following events are deemed to be material events and shall be necessarily disclosed the Stock Exchange(s) without applying any test of 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 MRPL 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) MRPL 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. Outcome of Meetings of the board of directors: MRPL shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
  - 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 MRPL from stock exchange(s).
5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of MRPL), 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.
6. Fraud/defaults by key managerial personnel or by MRPL or arrest of key managerial personnel.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.
10. One time settlement with a bank.
11. Reference to BIFR and winding-up petition filed by any party /creditors.
12. 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 MRPL.
13. Proceedings of Annual and extraordinary general meetings of MRPL.
14. Amendments to memorandum and articles of association of MRPL, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by MRPL to analysts or institutional investors;

### **3.2 Events which shall be disclosed upon application of the guidelines for materiality**

The following event(s) / information shall be disclosed to the Exchange(s) upon application of the guidelines for materiality of Company:

- (i) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- (ii) 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).
- (iii) Capacity addition or product launch.
- (iv) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- (v) 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.

- (vi) 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.
- (vii) Effect(s) arising out of change in the regulatory framework applicable to the Company.
- (viii) Litigation(s) / dispute(s) / regulatory action(s) which have a financial impact.
- (ix) Proved fraud/default by directors excluding key managerial personnel of the Company after necessary orders issued by the Competent Authority in respect of proved fraud / default.
- (x) Implementation of any Employees Stock Option Scheme after the Company has received the approval of the Government in this regard and the Board has approved the methodology.
- (xi) Giving of financial guarantees or indemnity or becoming a surety for any third party except to the subsidiaries of MRPL.
- (xii) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- (xiii) 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 MRPL and 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.
- (xiv) Without prejudice to the generality of the above, MRPL may make disclosures of events/ information as specified from time to time.

#### **4.0 DETERMINATION OF MATERIALITY**

4.1 Materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information / event. In order to determine whether a particular event / information is material in nature, the following criteria(s) shall be applied:

- (a) Materiality shall become applicable to an event / information where the value involved or the impact exceeds 10% of the total revenue or 20% of the Net worth, which ever is less, on the basis of last Audited Consolidated Financial Statements of the Company.
- (b) If in the opinion of the Managing Director of the Company, the event / information is considered material.

4.2 The Compliance Officer & Company Secretary shall determine the materiality of an event or information for reporting to Stock Exchanges with the approval of the Managing Director.

#### **5.0 DISCLOSURE OBLIGATIONS**

5.1 All senior Executives (GM and GGM) shall be under an obligation to disclose material event and/or price sensitive information relating to items covered under para 3 above, to the Compliance officer.

5.2 Upon receipt of information mentioned at point no. 5.1, Compliance Officer shall consult Director(Finance) and MD before making disclosure of the material events / price sensitive information to the Stock Exchange(s).

5.3 The Compliance Officer shall disclose all material events / information as soon as reasonably possible and not later than twenty four hours (24 hrs) from the occurrence of events or information.

5.4 In case the disclosure is made after twenty four hours of occurrence of event or information, the explanation for delay shall also be provided along with the disclosure.

5.5 Provided further that disclosure with respect to events specified in sub-clause 4 of Clause 3.1 shall be made within thirty minutes of the conclusion of the board meeting.

6.0 Where any disclosures have been made under this policy, further updates, if any, shall be made subject to same being approved by Managing Director.

7.0 All the disclosures made under this Policy shall be uploaded on Website of MRPL under Investors section. The same shall be available in the archives till five years from the date of

disclosure. Thereafter, the hosting of the same shall be decided as per Policy on Preservation of Documents of the Company.

**8.0** Events or information with respect to subsidiary(ies) which are material for MRPL and as approved by Managing Director shall also be uploaded on MRPL website/ website of subsidiary(ies).

**9.0** MRPL shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.

**10.0** MRPL may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

**11.0** In case where an event occurs or an information is available with MRPL, which has not been indicated in Para A or B of Part A of Schedule III of the Regulations, but in the opinion of Compliance Officer has a material effect on MRPL, adequate disclosures shall be made to the Stock Exchanges.

**12.0** Managing Director of the Company is empowered to amend this policy, if required, due to changes/amendment in the Companies Act, 2013 and SEBI Listing Regulations and the same shall be placed before the Board for its information.

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