

SOLEX ENERGY LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION

&

DISCLOSURE OF MATERIAL EVENTS / INFORMATION

(Review and Revised on 31st December, 2021)

1. STATUTORY MANDATE

The Board of Directors (The “Board”) of Solex Energy Limited (the “Company”) has adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend such policy at least once every three years and updated accordingly and from time to time.

2. OBJECTIVE OF THE POLICY AND SCOPE

The main objective of this policy is to determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) as per the time span hitherto defined.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation on website, the events/information which are considered material and which needs to be disclosed to the Stock Exchange.

All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

3. DEFINITIONS

Acquisition shall mean

Acquiring control, whether directly or indirectly; or acquiring or agreeing to acquire shares or voting rights in a company, whether directly or indirectly, such that

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CIN: L40106GJ2014PLC081036

GST: 24AAVCS0328R1ZN

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- i. 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
- ii. there has been a change in holding and such change exceeds two per cent of the total shareholding or voting rights in the said Company.

“Audit Committee or Committee” shall means

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

“Board of Directors or Board” shall means

The Board of Directors of the Company, as constituted from time to time.

“Company” shall means

Solex Energy Limited

“Independent Director” shall 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.

“Policy” shall means

Policy on Materiality of Events/Information & Disclosure of Material Events/Information.

“LODR” shall means

the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Key Managerial Personnel” shall means

Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.

4. KEY PRINCIPLES IN DETERMINING MATERIALITY

An information or an event is considered to be material when it is likely to impact the price of the securities of a company. Where the price of the securities of the Company in the normal course is likely to be affected on the basis of the disclosure of an event or information, such event or information is to be regarded as material. According, the following events and guidelines shall be considered while testing materiality for disclosure of an event/information:

A. EVENT WHICH SHALL BE DEEMED MATERIAL

1. Acquisitions of 5% or more of a company or purchase of additional 2% in companies where the current holding is more than 5%.

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2. Change in holding from the last disclosure and if such change exceeds 2% of the total shareholding or voting rights in the said company.
3. Sale of any unit(s) or division(s).
4. Scheme of Arrangement (amalgamation/merger/demerger/restructuring).
5. 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.
6. Revision in Rating(s).
7. Outcome of Board meetings of the Company 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 the listed entity from stock exchange(s). [Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.]
8. 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)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
9. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
10. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 - 10 (a): In case of resignation of the auditor, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
 - 10(b): Resignation of independent director including reasons, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

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i the letter of resignation along with detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges].

ii Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any

11. Appointment or discontinuation of share transfer agent.
12. Corporate debt restructuring
13. One time settlement with a bank.
14. Reference to BIFR and winding-up petition filed by any party / creditors.
15. 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.
16. Proceedings of Annual and extraordinary general meetings of the listed entity.
17. Amendments to memorandum and articles of association of listed entity, in brief.
18. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
19. Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means
20. Reference to corporate insolvency resolution process of listed corporate debtor under insolvency Code
21. Quarterly disclosure of the status of achieving the MPS
22. Disclosure with respect to initiation of forensic audit

B. THE FOLLOWING EVENTS SHALL BE CONSIDERED MATERIAL SUBJECT TO THE APPLICATION OF THE GUIDELINES MENTIONED IN CLAUSE (C)

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/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/division (entirety or piecemeal).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/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 listed entity 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 listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.

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9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity
10. Options to purchase securities including any ESOP/ESPS 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.

C. THE EVENTS MENTIONED IN CLAUSE (B) ABOVE SHALL BE CONSIDERED MATERIAL ONLY ON APPLICATION OF THE FOLLOWING GUIDELINES

1. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
2. 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;
3. 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 the Company, the event / information is considered material.

D. ANY OTHER INFORMATION/EVENT VIZ. MAJOR DEVELOPMENT THAT IS LIKELY TO AFFECT BUSINESS:

Events/Information that may include but are not restricted to-

1. Any change of accounting policy that may have a significant impact on the accounts, etc.;
2. Any other information which is exclusively know to the company which may be necessary to enable the holders of securities to appraise its position and to avoid the establishment of a false market in such securities;
3. Any market sensitive information as may be determined by any two Key Managerial Personnel (KMPs) jointly, from time to time;
4. Any event which in the view of the Board/whole-time directors of the Company is material.

5. AUTHORITY FOR DETERMINING MATERIALITY OF EVENTS/ INFORMATION & DISCLOSURES

1. Unless otherwise decided by the Board, any two KMPs acting jointly shall be authorised for the purpose of determining materiality of an event or information and making disclosures to the stock exchange. Any decision taken by them shall be valid and binding on the Company.
2. The contact details of all the KMP shall be disclosed to the stock exchange and also be placed on the Company's website.
3. The KMPs shall take into consideration the factors surrounding the particular information to take a view on whether the information is market sensitive or not.

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6. DISCLOSURE

The Company shall observe the following for proper and timely disclosure of any material events/information as defined hereon:

- a. For determining materiality of any event/transaction, reference is to be made to this policy and the Regulations.
- b. Disclosure of the events enumerated in Clause 3(A)(7) above shall be made within 30 minutes of the conclusion of the Board Meeting at which such events were discussed along with the time of commencement and conclusion of the meeting.
- c. All other events mentioned under Clause 3(A) and (B) above, other than those mentioned in the foregoing clause shall be disclosed by the Company as soon as reasonably possible but not later than 24 hours from the occurrence of a particular event.
- d. Any material developments on any event disclosed to the Stock exchanges shall be updated on regular basis till such event resolved.
- e. All disclosures made to the stock exchange shall be disclosed on the Company's website all such events for a minimum period of five years and thereafter as per the archival policy of the Company.

7. INTERPRETATION:

In any circumstances where the terms of this policy differ from any existing or newly enacted law, rule regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is amended to conform to the law, rule, regulation or standard.

8. GUIDANCE ON WHEN AN EVENT/INFORMATION IS DEEMED TO BE OCCURRED

- a. The events/information shall be said to have occurred upon approval by the Board e.g. further issue of capital by rights issuance and in certain events/information after approval of both i.e. Board and shareholders that is to say, after the approval of the shareholders of the Corporation.
- b. The events/ information that may be of price sensitive nature such as declaration of dividends etc., on receipt of approval of the event by the Board, pending Shareholder's approval.
- c. In the events/information such as natural calamities, disruption etc. can be said to have occurred when the Corporation becomes aware of the events/information

9. AUTHORITY TO MAKE ALTERATIONS

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The Board of Directors of the Company is authorized to make such alterations to this Policy as considered appropriate, subject however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations.

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