

SOLEX ENERGY LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION

&

DISCLOSURE OF MATERIAL EVENTS / INFORMATION

(Review and Revised on 21st August, 2023)

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 and update accordingly 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 thereto 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

- 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 mean

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 mean

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

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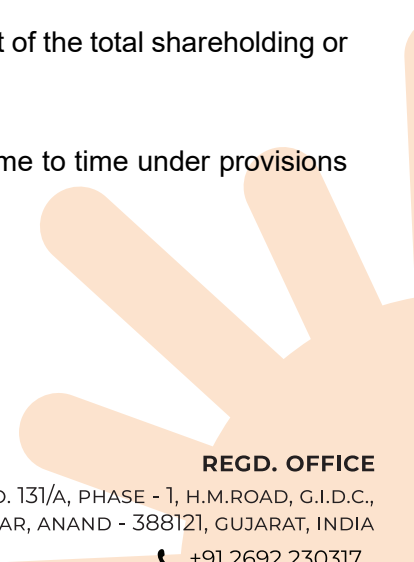
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“**Company**” shall mean Solex Energy Limited

“**Independent Director**” shall mean

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 mean

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

“**LODR**” shall mean

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

“**Key Managerial Personnel**” shall mean

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%.
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;

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- 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. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.
 10. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad.
 11. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 - 11 (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.
 - 11 (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:
 - i. The letter of resignation along with detailed reasons for the resignation as given by the said director.
 - (ia). Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
 - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there are no other material reasons other than those provided.
 - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii) above.
 - 11 (c): In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.
 - 11 (d): In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty-five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
 12. Appointment or discontinuation of share transfer agent.
 13. Corporate debt restructuring
 14. One-time settlement with a bank.
 15. Winding-up petition filed by any party / creditors.
 16. 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.

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17. Proceedings of Annual and extraordinary general meetings of the listed entity.
18. Amendments to memorandum and articles of association of listed entity, in brief.
19. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
20. Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means simultaneously with submission to the recognized stock exchange, in the following manner:
 - (i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
 - (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls
21. Reference to corporate insolvency resolution process of listed corporate debtor under insolvency Code
22. Quarterly disclosure of the status of achieving the MPS
23. Disclosure with respect to initiation of forensic audit
24. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity
25. Action(s) initiated, taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity as mentioned in Schedule III Part A of LODR.
26. Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.

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. Any of the following events pertaining to the listed entity:
 - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - (b) adoption of new line(s) of business; or
 - (c) closure of operation of any unit, division or subsidiary (in entirety or in 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. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the 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.

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12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

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. The omission of an event / information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - i. two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - ii. two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - iii. 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 Company.

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 event which in the view of the Board/Managing Directors of the Company is material.

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

1. Unless otherwise decided by the Board, any one or more KMPs shall be authorized 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 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.

6. DISCLOSURE

The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

(i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;

(ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;

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(iii) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity.

Any material developments on any event disclosed to the Stock exchanges shall be updated on regular basis till such event resolved.

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. AUTHORITY TO MAKE ALTERATIONS

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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