

SOLEX ENERGY LIMITED

Policy on Determining Materiality of Events

*(Reviewed & Revised by the Board of Directors in its Meeting
dated August 7, 2025)*

1. BACKGROUND

This “Material Events Policy” (“Policy”) is formulated in accordance with **Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, as amended (“SEBI Listing Regulations”) and is applicable to the Company as an SME listed entity.

The purpose of this Policy is to provide a framework for:

- Identifying and determining events or information which may be considered material;
- Timely and transparent disclosure of such material events or information to the Stock Exchange(s); and
- Ensuring compliance with the relevant provisions of SEBI Listing Regulations and other applicable laws.

In compliance with Regulation 30(5) of SEBI Listing Regulations, the Board of Directors of the Company shall authorize one or more Key Managerial Personnel (KMP) to determine the materiality of events or information and ensure proper disclosures are made.

This Policy applies to **the Company and its subsidiaries**, if any, and is subject to amendments in applicable regulations or SEBI circulars issued from time to time.

2. OBJECTIVE

This Policy has been framed with the objective of providing adequate and appropriate disclosures that are consistent with the facts of the material events. The current Policy mechanisms provides for:

- The procedure determining the materiality of the events/information,
- The procedure governing the disclosure of the events that are deemed to be material;
- The time frame within which such information is to be disclosed.
- To ensure that the Company complies with the disclosure obligations to which it will be subject to as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other legislations (In India or Overseas).
- To ensure that the information disclosed by the Company is timely and transparent.
- To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- To protect the confidentiality of Material / Price sensitive information within the context of the Company’s disclosure obligations.
- To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.

3. DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings assigned below. Other terms not defined herein shall have the meaning as per the Companies Act, 2013 or SEBI Listing Regulations.

1. **“Authorised Key Managerial Personnel”** means the Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, or Company Secretary of the Company, individually or jointly, authorized by the Board to determine the materiality of an event or information and decide the timing and content of disclosure to the Stock Exchange(s).
2. **“Board of Directors / Board”** means the collective body of Directors of the Company.
3. **“Compliance Officer”** means the Company Secretary of the Company, designated as the Compliance Officer under SEBI Listing Regulations.
4. **“Stock Exchange(s)”** means the recognized stock exchange(s) where the securities of the Company are listed.
5. **“Promoter / Promoter Group”** shall have the meaning assigned under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
6. **“Subsidiary company”** means the subsidiary company as defined under Section 2(87) of the Companies Act, 2013.
7. **“Mainstream Media”** includes information published in newspapers registered with the Registrar of Newspapers for India, licensed television news channels, and digital publications under the IT Rules, 2021, or any other permitted news source recognized under applicable law.

4. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS AND/ OR INFORMATION

The company 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) the omission of an event or 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 listed entity;
 - (ii) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, 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 listed entity
- (d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material:

- (e) events or information which are deemed material without application of guidelines for materiality, as specified under the SEBI Listing Regulations (as amended from time to time).

5. DISCLOSURE OF EVENTS AND/OR INFORMATION

1. Certain events listed under **Paragraph A of Part A of Schedule III of the SEBI Listing Regulations** are considered inherently material. The Company will disclose such events or information to the Stock Exchange(s) **as promptly as possible**, but **no later than 24 hours** from the time of their occurrence. *(Refer Annexure A)*
2. For events specified in **Paragraph B of Part A of Schedule III**, the Company will assess materiality based on the principles outlined in this Policy and make disclosures accordingly. *(Refer Annexure B)*
3. In case of events listed under **Point 4 of Annexure I**, disclosures will be made **within 30 minutes** of the conclusion of the Board Meeting in which the decision is taken.
4. The Company shall continue to provide timely updates on significant developments related to any disclosed event, until the matter is fully concluded or resolved, along with appropriate justifications or explanations.
5. Material events or information related to the Company's **material subsidiaries**, if any, will also be disclosed, in compliance with applicable regulations.
6. The Company will respond appropriately and in detail to any questions or clarifications sought by the Stock Exchange(s) regarding disclosed or reported events. Additionally, the Company may, on its own initiative, **confirm or deny** any information circulating in the media that may significantly impact the market or investors.
7. If any **unlisted or unforeseen event** occurs or if the Company becomes aware of information that is **not specifically covered under Annexure A or B**, but is likely to have a **significant impact on the Company's operations, performance, or stock price**, such events or information will be disclosed in a fair and transparent manner.

6. POLICY REVIEW

This Policy shall be periodically reviewed to ensure it continues to align with all applicable legal and regulatory requirements. Any changes or updates to the SEBI Listing Regulations, the Companies Act, or any other relevant laws will be deemed to be automatically incorporated into this Policy, even if not explicitly amended.

In the event of any conflict between the provisions of this Policy and the requirements under the SEBI Listing Regulations, Companies Act, or guidance issued under applicable industry standards, the provisions of the regulatory framework shall take precedence.

ANNEXURE A

Events which shall be disclosed without any application of the guidelines for Materiality Referred to:

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 Company or any other restructuring;

Explanation. - 'Acquisition' shall mean, -

- 1.1. acquiring control, whether directly or indirectly; or,
- 1.2. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
 - (a) 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;
 - (b) there has been a change in holding from the last disclosure 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 credit rating(s);
4. Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange, 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 the Company from stock exchange.

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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 Promoter or Key Managerial Personnel or by Company or arrest of Key managerial Personnel or Promoter;
7. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer
 - 7.1. In case of resignation of the auditor, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor
 - 7.2. In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges:
 - 7.2.1. 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.
 - 7.2.2. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - 7.2.3. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause 7.2.1 above.
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 the Company;
13. Proceedings of Annual and Extraordinary General Meetings of the Company;
14. Amendments to Memorandum and Articles of Association of Company, in brief;
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code

- 16.1. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- 16.2. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- 16.3. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
- 16.4. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- 16.5. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- 16.6. Appointment/ Replacement of the Resolution Professional;
- 16.7. Prior or post-facto intimation of the meetings of Committee of Creditors;
- 16.8. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- 16.9. Number of resolution plans received by Resolution Professional;
- 16.10. Filing of resolution plan with the Tribunal;
- 16.11. Approval of resolution plan by the Tribunal or rejection, if applicable;
- 16.12. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- 16.13. Any other material information not involving commercial secrets

ANNEXURE B

ILLUSTRATIVE LIST OF EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY REFERRED TO IN:

- 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 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) / dispute(s) / regulatory action(s) with impact;
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
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;
13. 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 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.