



**EKI Energy Services Limited**

**POLICY FOR DETERMINATION OF MATERIALITY  
OF EVENT / INFORMATION**

<b>Approving Authority</b>	Board of Directors of the Company
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## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENT / INFORMATION**

### ***1. Preamble***

This Policy for Determination of Materiality of Events or Information is aimed at providing guidelines to the management of **EKI Energy Services Limited (“The Company”)**, to determine the materiality of events or information, which could affect investment decisions and ensure timely and adequate dissemination of information to the Stock Exchange(s) (as hereinafter defined).

This Policy has been formulated in accordance with and without diluting the requirements under the current guidelines laid down by Securities Exchange Board of India (‘SEBI’) under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘**Listing Regulations**’), as amended from time to time, with respect to determination of materiality of events and information and disclosure thereof.

### ***2. Objective***

The Company has to ensure prompt disclosure of material price sensitive information/event to the stock exchange(s), where the securities of the Company are listed, so that present and potential investors are able to take informed decision relating to their investment in the Company and to avoid creation of false market in the securities of the Company. This Policy shall act as a guidance for determining materiality of such price sensitive information

### ***3. Scope and Limitation***

In the event of any conflict between the provisions of this Policy and Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

### ***4. Definitions***

- (a) “**Act**” means the Companies Act, 2013.
- (b) “**Board of Directors**” means the Board of Directors of the Company.
- (c) “**Company**” means EKI Energy Services Limited.
- (d) “**Key Managerial Personnel**” means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- (e) “**Listing Regulations**” means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- (f) “**Policy**” means this Policy for Determination of Materiality of Events or Information, as amended from time to time.
- (g) “**SEBI**” means the Securities and Exchange Board of India.
- (h) “**Relevant employees**” means senior management of the Company including head of departments.
- (i) “**Rules**” means the rules made under the Companies Act, 2013.
- (j) “**Stock Exchange(s)**” means BSE Limited where the equity shares of the Company are listed.

- (k) “**undertaking**” shall mean an undertaking in which the investment of the company exceeds twenty per cent. of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty per cent. of the total income of the company during the previous financial year;
- (l) “**substantially the whole of the undertaking**” in any financial year shall mean twenty per cent. or more of the value of the undertaking as per the audited balance sheet of the preceding financial year;

#### **5. Disclosure of events or information**

1. The events or information specified in **Annexure I** of this policy will be disclosed within the timeline indicated in the Annexure, without the application of any materiality thresholds, as these are “deemed” to be material events.
2. The events or information specified in **Annexure II** of this policy will be disclosed based on application of the materiality criteria, as laid down below:
  - 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; or
  - 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 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;]
3. In addition to the above, the Board of the Company may define any event or information as material and disclosure of the same to stock exchange shall require.

#### **6. Guideline on occurrence of an event/ Information:**

The occurrence of material event/information would be either by the Company’s own accord or not in the hands of the Company. It can be categorized as under:

(a) depends upon the stage of discussion, negotiation or approval; and

(b) in case of natural calamities, disruptions etc., it would depend upon the timing when the Company became aware of the event/information.

In respect of the events under 6(a), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder’s approval.

In respect of the events under 6(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term ‘officer’ shall have the same meaning as defined under the Act and shall also include

Promoter of the Company.

**7. Roles and responsibilities:**

1. The following key managerial personnel of the Company, *i.e.* the Managing Director & Chief Executive Officer, the Chief Financial Officer and the Company Secretary as the “**Authorised Persons**” for the purposes of determining materiality of an event or information as per the guidelines contained under this Policy and the Listing Regulations, and for the purposes of disclosing such event / information to the relevant stock exchanges.
2. Relevant employees of the Company shall identify any potential material event or information and report the same to the authorized Key Managerial Personnel, for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).

**8. Disclosure**

The Board shall review, and if found required, may amend this Policy from time to time.

The Company shall disclose on its website all such events or information which has been disclosed to the relevant stock exchange under this Policy, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and, thereafter, as per the archival policy of the Company.

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## ANNEXURE I

The following are the events/ information which would be deemed material without application of criteria for materiality.

S. No.	Events	Timeline for disclosure
1.	<p>Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in associate company of the Company or any other restructuring;</p> <p>The word 'acquisition' shall mean-</p> <ul style="list-style-type: none"> <li>i. acquiring control, whether directly or indirectly; or</li> <li>ii. acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that – <ul style="list-style-type: none"> <li>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</li> <li>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-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or</li> <li>c. the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in point no. 5(2) of this policy.</li> </ul> </li> </ul> <p>For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-</p> <ul style="list-style-type: none"> <li>(i) an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the Company; or</li> <li>(ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in point no. 5(2) of this policy,</li> </ul>	Within 12 hours
2.	<p>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 redemption of securities etc.;</p>	Within 12 hours
3.	<p>New Rating(s) or Revision in rating(s);</p>	Within 24 hours
4.	<p>Outcome of Meetings of the board of directors: The Company shall disclose to the Exchange(s), <b>within 30 minutes</b> of the closure of the meeting, held to consider the following:</p> <ul style="list-style-type: none"> <li>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;</li> <li>b. any cancellation of dividend with reasons thereof;</li> <li>c. the decision on buyback of securities;</li> <li>d. the decision with respect to fund raising proposed to be undertaken;</li> </ul>	30 Minutes form the conclusion of the meeting

	<p>e. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;</p> <p>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;</p> <p>g. short particulars of any other alterations of capital, including calls;</p> <p>h. financial results;</p> <p>i. decision on voluntary delisting by the Company from stock exchange(s):</p> <p>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.</p>	
5.	<p>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;</p>	<p>Within 12 hours (For agreements where listed entity is a party)</p> <p>Within 24 hours (For agreements where listed entity is a party)</p>
6.	<p>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;</p>	<p>Within 12 hours (For agreements where listed entity is a party)</p> <p>Within 24 hours (For agreements where listed entity is a party)</p>
7.	<p>Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company 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 Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements:</p> <p>Provided that such agreements entered into by a Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of these regulations.</p> <p><b>Explanation:</b> For the purpose of this clause, the term “directly or</p>	<p>Within 12 hours (For agreements where listed entity is a party)</p> <p>Within 24 hours (For agreements where listed entity is a party)</p>



	<i>indirectly” includes agreements creating obligation on the parties to such agreements to ensure that the Company shall or shall not act in a particular manner.</i>	
8.	<p>Fraud or defaults by the Company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the Company, whether occurred within India or abroad:</p> <p><b>For the purpose of this sub-paragraph:</b>  (i) ‘Fraud’ shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.  (ii) ‘Default’ shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.</p> <p><i><b>Explanation 1-</b> In case of revolving facilities like cash credit, an entity would be considered to be in ‘default’ if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.</i></p> <p><i><b>Explanation 2-</b> Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the Company.</i></p>	Within 24 hours
9.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	<p>Within 12 hours (Except in case of resignation)</p> <p>Within 24 hours (In case of resignation)</p>
10.	In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed to the stock exchanges as soon as possible but not later than <b>twenty-four hours</b> of receipt of such reasons from the auditor.	<b>twenty-four hours</b> of receipt of such reasons from the auditor.
11.	<p>Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:</p> <p>i. The letter of resignation along with detailed reasons for the resignation as given by the said director.</p> <p>ii. Names of Company, indicating the category of directorship and membership of board committees, if any.</p> <p>iii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.</p> <p>iv. The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii).</p>	within <b>seven days</b> from the date of resignation.
12.	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance officer or director.	within <b>seven days</b> from the date of resignation.

13.	In case the Managing Director or Chief Executive Officer of the Company 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).	Within 12 hours
14.	Appointment or discontinuation of share transfer agent.	Within 12 hours
15.	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details: (iii)Decision to initiate resolution of loans/borrowings; (iv)Signing of Inter-Creditors Agreement (ICA) by lenders; (v)Finalization of Resolution Plan; (vi)Implementation of Resolution Plan; (vii)Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.	Within 24 hours
16.	One time settlement with a bank.	Within 24 hours
17.	Winding-up petition filed by any party / creditors.	Within 24 hours
18.	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.	Within 12 hours
19.	Proceedings of Annual and extraordinary general meetings of the Company.	Within 12 hours
20.	Amendments to memorandum and articles of association of the Company, in brief.	Within 12 hours
21.	(a)Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the Company to analysts or institutional investors.  Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.  (b)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(s), 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:	At least <b>Two</b> working days in advance.
22.	Events in relation to the corporate insolvency resolution process (CIRP) of a Listed Corporate debtor under the Insolvency code.  The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:	Within 24 hours

	<p>(a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;</p> <p>(b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;</p> <p>(c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;</p> <p>(d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;</p> <p>(e) 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;</p> <p>(f) Appointment/ Replacement of the Resolution Professional;</p> <p>(g) Prior or post-facto intimation of the meetings of Committee of Creditors;</p> <p>(h) 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;</p> <p>I. Number of resolution plans received by Resolution Professional;</p> <p>ii. Filing of resolution plan with the Tribunal;</p> <p>iii. Approval of resolution plan by the Tribunal or rejection, if applicable;</p> <p>iv. Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:</p> <ol style="list-style-type: none"> <li>1. Pre and Post net-worth of the company;</li> <li>2. Details of assets of the company post CIRP;</li> <li>3. Details of securities continuing to be imposed on the companies' assets;</li> <li>4. Other material liabilities imposed on the company;</li> <li>5. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;</li> <li>6. Details of funds infused in the company, creditors paid-off;</li> <li>7. Additional liability on the incoming investors due to the transaction, source of such funding etc.;</li> <li>8. Impact on the investor – revised P/E, RONW ratios etc.;</li> <li>9. Names of the new promoters, key managerial personnel, if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;</li> <li>10. Brief description of business strategy.</li> </ol> <p>a) Any other material information not involving commercial secrets.</p> <p>b) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;</p> <p>c) Quarterly disclosure of the status of achieving the MPS;</p> <p>d) The details as to the delisting plans, if any approved in the resolution plan.]</p>	
23.	<p>Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:</p> <p>a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;</p> <p>b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.</p>	<p>Within 12 hours (If initiated by the listed entity)</p> <p>Within 24 hours (If initiated by external agency)</p>

24.	<p>Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of the Company, in relation to any event or information which is material for the Company in terms of regulation 30 of listing regulation and as per this policy and is not already made available in the public domain by the Company.</p> <p>Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.</p>	Within 24 hours
25.	<p>Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:</p> <p>a) search or seizure; or</p> <p>b) re-opening of accounts under section 130 of the Companies Act, 2013; or</p> <p>c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:</p> <p>i. name of the authority;</p> <p>ii. nature and details of the action(s) taken, initiated or order(s) passed;</p> <p>iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;</p> <p>iv. details of the violation(s)/contravention(s) committed or alleged to be committed;</p> <p>v. impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.</p>	Within 24 hours
26.	<p>Action (s) 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, in respect of the following:</p> <p>A. Suspension</p> <p>B. Imposition of fine or penalty</p> <p>C. Settlement of proceedings</p> <p>D. Debarment</p> <p>E. Disqualification</p> <p>F. Closure of operations</p>	Within 24 hours
27.	<p>Voluntary revision of financial statements or the report of the board of directors of the Company under section 131 of the Companies Act, 2013.</p>	Within 12 hours

## ANNEXURE II

***Events which shall be disclosed upon application of the guidelines for materiality as per point 5(2) of this policy:***

<b>S. No.</b>	<b>Events</b>	<b>Timeline for disclosure</b>
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.	Within 12 hours
2.	Any of the following events pertaining to the Company: (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).	Within 12 hours
3.	Capacity addition or product launch.	Within 12 hours
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Within 24 hours
5.	Agreements (viz. loan agreement(s) 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.	Within 12 hours (For agreements where listed entity is a party)  Within 24 hours (For agreements where listed entity is a party)
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.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the Company.	Within 24 hours
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.	Within 24 hours
9.	Frauds or defaults by employees of the Company which has or may have an impact on the Company.	Within 24 hours
10.	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours
11.	Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.	Within 12 hours
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours
14.	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	Within 24 hours

	and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities	
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