

K.P. ENERGY LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

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1. BACKGROUND

This 'Policy for Determination of Materiality of Events and Information' ("Policy") of K.P. Energy Limited has been framed pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "SEBI Listing Regulations"), for determination of materiality, based on criteria specified in Regulation 30 of SEBI Listing Regulations.

Regulation 30 of SEBI Listing Regulations also mandate the board of directors of the listed entity shall authorise 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).

In compliance with SEBI Listing Regulations, this Policy provides a framework for determining materiality of events and information for the purpose of making disclosure to the Stock Exchanges. This Policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges.

2. DEFINITIONS

- a) **"Authorised Key Managerial Personnel"** mean Managing Director or Whole-time Director of the Company, who are authorised, individually or jointly, for determining the materiality of an event or information that qualifies for disclosure and to decide the appropriate time and details of its disclosure to be made to the Stock Exchange(s).
- b) **"Board of Directors or Board"** mean Board of Directors of the Company.
- c) **"Company"** means the K.P. Energy Limited.
- d) **"Compliance Officer"** means Company Secretary of the Company.
- e) **"Mainstream Media"** shall include print or electronic mode of the following:
 - i. Newspapers registered with the Registrar of Newspapers for India;
 - ii. News channels permitted by Ministry of Information and Broadcasting under Government of India;

- iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
 - iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India.
- f) **“Promoter” and “Promoter Group”** shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of Regulation 2(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- g) **“SEBI Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendment thereto and/or modification thereof from time to time, and includes any circulars, guidelines, and directions issued thereunder or in relation thereto.
- h) **“Senior Management”** shall have the same meaning as defined under Sub- Regulation (1) of Regulation 16 of SEBI Listing Regulations.
- i) **“Stock Exchanges”** means stock exchanges where the Equity Shares of the Company are listed.
- j) **“Subsidiary”** means a subsidiary as defined under Section 2(87) of the Companies Act, 2013.

3. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the SEBI Listing Regulations and Companies Act, 2013 as amended from time to time.

4. MATERIAL EVENTS AND INFORMATION

The events or information to be disclosed to the Stock Exchanges under Regulation 30 of Listing Regulations are broadly divided into the following categories:

- a) Events or information specified in Para A of Part A of Schedule III of the SEBI Listing Regulations (“Para A”) including any amendment thereto, are deemed to be material and shall be disclosed without application of materiality criteria defined in the SEBI Listing Regulations.
- b) Events or information specified in Para B of Part A of Schedule III of the Listing Regulations (“Para B”) including any amendment thereto, shall be disclosed based on application of the criteria for determining materiality, as specified in clause 5 of this Policy.
- c) Without prejudice to the generality of paragraphs (a) and (b) above, any other event or information which in the opinion of the Board of Directors or Authorised Key Managerial Personnel is material.

5. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS AND INFORMATION

The Company shall consider the following criteria for determining the materiality of events or information as mentioned in Clause 4(b) above:

- 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:
 - (1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - (2) 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;
 - (3) 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) 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 or Authorised Key Managerial Personnel, the event or information is considered material.

6. DISCLOSURE OF EVENTS / INFORMATION

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

- (1) within 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;

In case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

In case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- (2) within twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (3) within twenty-four hours from the occurrence of event or information, in case the event or information is not emanating from within the Company.

In case all relevant information regarding claims made against the Company under any litigation or dispute, excluding tax-related matters, as per sub-paragraph 8 of paragraph B of Part A of Schedule III of SEBI Listing Regulations, is recorded in the Company's structured digital database in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company shall disclose such claims to the stock exchange(s) within seventy-two hours of receiving the notice.

- b) Disclosures for events or information for which timelines have been specified in Part A of Schedule III of SEBI Listing Regulations shall be made within such timelines;
- c) In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

- d) The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved/closed, with relevant explanations.
- e) The Company shall also disclose all events and information with respect to its subsidiaries which are material for the Company.

7. DISSEMINATION OF EVENTS / INFORMATION

The Authorised Key Managerial Personnel shall be severally responsible for determining the materiality of events/information considering its nature and shall disclose it in compliance with the applicable provisions of the SEBI Listing Regulations and this Policy.

The Senior Management of the Company shall forthwith inform all potential events/information as per Para A and Para B of Part A of Schedule III of the Listing Regulations, relating to the Company and/or the Subsidiaries (to the extent such information is material for the Company) to Authorised Key Managerial Personnel, with adequate information/data to facilitate a prompt and appropriate disclosure to the Stock Exchanges as per the requirements prescribed by the SEBI Listing Regulations.

The Company may confirm, deny or clarify, upon the material price movement as may be specified by the stock exchanges, any reported event or information in the mainstream media, which is not general in nature and which indicates that rumours of an impending specific event or information that is circulating amongst the investing public and also provide the current stage of such event or information. Such disclosure will be as per the timelines prescribed under SEBI Listing Regulations.

In case where an event/information is available with the Company, which has not been included in Para A or Para B, but which may have a material impact, the Company shall make adequate disclosures in regard thereof in accordance with SEBI Listing Regulations and this Policy.

The disclosures made under Regulation 30 of the SEBI Listing Regulations and such other disclosures as may be required, shall be hosted on the website of the Company (www.kpenergy.in). Such disclosures shall remain available on the website for a period of

five (5) years and thereafter shall be archived in accordance with the Website Content Archival Policy of the Company.

8. POLICY REVIEW

This Policy shall be reviewed from time to time so that the Policy remains compliant with applicable legal requirements. Any subsequent amendment / modification in the SEBI Listing Regulations, Companies Act and/or applicable laws in this regard shall automatically apply to this Policy.

In case of any inconsistency between the contents of this Policy and provisions of SEBI Listing Regulations/Companies Act, the provisions of SEBI Listing Regulations/Companies Act shall prevail.
