



Swan Energy Limited

Policy for determination of materiality of events or information

1. INTRODUCTION

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'), require every Listed Company to disclose events or information which, in the opinion of the Board of Directors of the Company, are material.

The LODR Regulations have classified disclosure of such events, into the following categories:

- (i) Events which are considered to be deemed material events, and which need to be disclosed without application of the "materiality criteria" mentioned in this Policy. These events as specified by SEBI in Para A of Part A of Schedule III of LODR Regulations are listed in **Annexure 'A'** to this Policy, as amended from time to time.
- (ii) Events which need to be disclosed based on the application of the "materiality criteria" mentioned in this Policy. These events as specified by SEBI in Para B of Part A of Schedule III of LODR Regulations are listed in **Annexure 'B'** to this Policy, as amended from time to time.
- (iii) Other events as specified by SEBI in Para C of Part A of Schedule III of LODR Regulations are listed in **Annexure 'C'** to this Policy as amended from time to time
- (iv) Any other events/information concerning the Company as the stock exchange(s) may reasonably require.

SEBI has also specified the information that needs to be provided whilst disclosing events mentioned in Annexures 'A' and 'B', which is provided alongside each event/information in this Policy. In case, the Company does not disclose any such specified details, it shall state appropriate reasoning for the same as part of the disclosure.

The Regulations also mandate the Company to frame a policy for determination of materiality, based on the criteria mentioned in the Regulations, for disclosure of specified events.

This Policy applies to disclosure of events or information which are material to the Company.

2. TITLE

This Policy shall be called 'Policy for Determination of Materiality for Disclosures'.

3. OBJECTIVE

The objective of this Policy is to determine events/information which are material and have a bearing on performance/operation of the Company and/or are price sensitive in nature.

The Policy lays down the principles and sets out the guidelines for identification of events or information within the Company, which are material requiring disclosure to the Stock Exchanges where the specified securities and/or non-convertible securities of the Company are listed.

It shall ensure timely and adequate disclosure of material events in order to enable investors to make informed decisions and to ensure uniformity in the Company's approach towards making disclosures of materiality of events/ information.

This Policy is framed in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, notified on September 2, 2015 and effective from December 1, 2015 and other SEBI Circulars specified in this regard.

4. DISCLOSURES OF EVENTS

Pursuant to Regulation 30 (5) of the LODR Regulations, the Company had authorized Mr. Paresh V. Merchant, Executive Director, Mr. Chetan K. Selarka, Chief Financial officer and Mr. Arun S. Agarwal, Company Secretary ('Officials to determine materiality/Officers'), to determine materiality of an event or information and make disclosures to stock exchange (s) under LODR Regulations.

The Roles and Responsibilities of the aforesaid officials shall include the following:

1. To ensure compliance with the disclosure requirements under Regulation 30 of LODR Regulations and such other Circulars as may be specified by SEBI in this regard from time to time;
2. To take a view on the materiality of an event under Annexures 'B' or 'C' or on the price sensitivity of an event that qualifies for disclosure under Regulation 30 of LODR Regulations;
3. To determine the appropriate time at which the disclosures are to be made to the stock exchanges which shall be in adherence to the requirements of Regulation 30 of LODR Regulations;
4. To review and finalise the details to be disclosed. The contents of the disclosure shall be in line with the LODR Regulations and SEBI Circulars issued in this regard, and as may be amended from time to time;
5. To consider such other events that may require disclosure to be made to the stock exchanges which are not explicitly defined in any Annexures and determine the materiality, appropriate time and contents of disclosure for such matter;
6. To review the information in respect of the above specified events on periodical basis, as may be necessary and inform the stock exchanges if there is a change in information after it has been disclosed to stock exchanges (including withdrawal/cancellation/conclusion of events);

5. GUIDANCE ON WHEN AN EVENT/INFORMATION HAS OCCURRED

1. The above officials may be confronted with the question as to when an event/information can be said to have occurred.
2. In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions, etc., the answer to the above question would depend upon the timing when the officials became aware of the event/information.
 - 2.1 In the former, the events/information can be said to have occurred upon receipt of approval of the 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.
 - 2.2 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
 - 2.3 In the latter, the events/information can be said to have occurred when the Officers become aware of the events/information, or as soon as, an Officer has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

In case an Officer of the Company becomes aware of or comes into possession of the information in the course of the performance of his duties, he shall immediately report the same to the Disclosure Committee

6. MATERIALITY CRITERIA OF THE EVENT OR INFORMATION

Materiality criteria have to be determined on a case-to-case basis depending on specific facts and circumstances relating to the event/information mentioned at Annexure 'B' or 'C' or 'D'. In order to enable the Disclosure Committee to determine whether a particular event/information is material in nature, the Regulations have laid down criteria, as mentioned below:

- (i) All events/information stated in Para A of Part A of Schedule III to LODR Regulations (as listed in Annexure A to this Policy) are deemed to be material, without any application of the guidelines for materiality.

- (ii) In respect of all other events/information other than those stated in Para A of Part A of Schedule III to LODR Regulations (including events of subsidiary company in relation to the Company) as given under Annexure B and C of the policy, the officials authorized for the purpose 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; 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.

Note: 'Absolute value of profit or loss after tax' means absolute figures of profit/loss. The threshold with respect to profit/loss is to be computed by taking the absolute values of profit or loss after tax for the immediately preceding three audited consolidated financial statements of the Company. The averaging does not mean netting-off in this case where profits of Company in one year gets reduced due to the losses in other financial years, rather, the values are required to be taken on an absolute basis.

- d) In case where the criteria specified in sub-clauses a), b) and c) above is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company, the event or information is considered material.

7. MECHANISM TO BE ADOPTED FOR IDENTIFYING AND REPORTING POTENTIAL MATERIAL EVENT/INFORMATION BY RELEVANT EMPLOYEES.

- (i) During performance of one's role, the Relevant employee(s) shall be responsible for identifying pertinent events/information as mentioned in Annexure A, B and C or any other event/ information which has potential to be classified as material events/information as per the policy

Explanation-1: For the purpose of determination of material events/ information, the value or expected impact in terms of value for each event or transaction shall be compared with the quantitative threshold as mentioned in clause 6(ii)(c) specified in this policy.

Explanation-2: "Relevant Employees" shall encompass the head of the function of the Company and shall also include employees of the Company who deals with or comes into possession of potential material event or information in the course of the performance of his/her duties.

- (ii) Upon identification of potential material events/information, the relevant employee shall promptly report the details of such potential material events/information in the format as mentioned in Annexure D to the Officials to determine materiality.
- (iii) Any other event, even if not covered under the LODR Regulations but has potentially price sensitive nature, must also be informed for further evaluation, to the Officials to determine materiality. After evaluation, the said Officials shall if required issue a suitable disclosure to the Stock Exchanges.

Mode of Communication: The aforesaid details can be submitted to the Officers by the Relevant Employee(s) using written communication methods such as emails, internal memos, or any other appropriate means.

The details so submitted shall be authentic and comprehensive to enable the Officers to make informed decision/ take appropriate actions. The Relevant Employee(s) should exercise necessary diligence to ensure confidentiality of the details being submitted/so submitted to the Officers.

The Relevant Employee(s) may approach the Secretarial Team for seeking guidance/clarity to ensure effective implementation of this policy.

8. TIMEFRAME FOR DISCLOSURE

1. The Company shall disclose all events or information which are material in accordance with the Policy as soon as reasonably possible and in any case not later than the following:
 - a) 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;
 - b) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
 - c) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company;

Note: Timelines mentioned in a), b) and c) above shall be read in conjunction with circulars issued by SEBI from time to time in this regard.

Provided that disclosure with respect to events for which timelines have been specified in Clause 4 of Annexure A of the policy shall be made within such timelines.

2. Provided further that in case the disclosure is made after the timelines specified above of the occurrence of such event/ information, the Company shall, along with such disclosure(s) provide an explanation for the delay.
3. The Company shall disclose to the stock exchange(s) material updates on the events/ information disclosed under this Policy till such time the event is resolved/ closed, with relevant explanations.

9. AMENDMENTS:

The Board shall review and amend this policy from time to time. All provisions of this policy would be subject to revision/amendment in accordance with the applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

10. DISCLOSURE ON WEBSITE

All events or information disclosed under this Policy (appearing in all Annexures) to the Stock Exchanges, shall be hosted on the website of the Company for a minimum period of 5 years

Annexure-D

Format for Submission of Information to Compliance Officer (to be filled by the Relevant employees.

SN	Particulars	Remarks
1	Name and Designation of originator of Information	
2	Name of the Department	
3	Details of events/Information	
4	Analysis/working, if any. (For impact of such information on Company)	
5	Source of Information	
6	Calendar of Events/milestones (date wise)	
7	Name of Persons with whom such information is shared along with PAN/ other identifier detail in absence of PAN (internal/external)	
<p>I, _____, hereby undertake that the aforementioned information provided by the undersigned is true and to the best of my knowledge. The information is provided in compliance with the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended. The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the circumstances:</p> <ul style="list-style-type: none">a. Under any proceedings or pursuant to any order of courts or tribunals.b. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law; andc. In compliance with applicable laws, regulations, rules, and requirementsd. In order to fulfil his/her duties/obligations for legitimate purpose <p>_____</p> <p>Name and Signature:</p> <p>Place:</p> <p>Date:</p>		

EFFECTIVE DATE

The effective date of the Policy is December 1, 2015.

the Board of Directors of the company in its meeting held on August 14, 2023, adopted / approved the amendments set out in the SEBI (LODR) (Second Amendment) Regulations, 2023.