

## **XPRO INDIA LIMITED**

### **Policy for determination of material events/information**

The Policy for determination of materiality of events/information, was previously approved by the Board of Directors of Xpro India Limited (the Company) on November 3, 2015, and was applicable with effect from December 1, 2015 in terms of Regulation 30 of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The said Policy has been amended by the Board of Directors of the Company at its Meeting held on August 11, 2023 and the amended policy is applicable from August 12, 2023.

### **Criteria for disclosure of events or information**

The Company shall *inter-alia* consider the following criteria for determination of materiality of events/information:

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. 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
- iii. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
  - a. two percent of turnover, as per the last audited consolidated financial statements of the Company;
  - b. two percent of net worth, as per the last audited consolidated financial statements of the Company;
  - c. 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;
- iv. in case where the criteria specified in sub-clauses (i), (ii) and (iii) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of the Company, the event/information is considered material.

### **Authority for determination of materiality of events/information**

The Key Managerial Personnel (KMPs) comprising the Managing Director & Chief Executive Officer, Sr. President & Chief Operating Officer, President & Chief Financial Officer and the Company Secretary be and are hereby jointly and severally authorised to determine materiality of an event/information for the purpose of making disclosures to the Stock Exchanges under the Listing Regulations.

This policy shall assist the Company's relevant employees in identifying any potential material event or information and reporting the same to the KMPs for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).

### **Placement of information regarding material events/information before the Board**

The Company Secretary shall ensure placement of all material information at the Board meeting held immediately after the said information is given to the Stock Exchange.

### **Updates to Stock Exchanges/Board of Directors/Website**

The Company Secretary shall give updates to the Board of Directors and to the Stock Exchanges of any material events that may have been first informed to the Stock Exchanges including further information, if any, on such events. Such updates shall also be hosted on the website of the Company and the same shall be continued to be hosted on its website for a minimum period of five years and thereafter as per the archival policy of the Company.

### **Disclosure of events/information on subsidiaries**

The Company shall disclose all events or information with respect to its subsidiaries which are material for the Company.

### **Determination of materiality**

The Company shall make disclosure of any event or information which in the opinion of the Board of Directors of the Company is material.

#### **a. The following events shall be deemed to be material events:**

- i. Acquisition (including agreement to acquire), Scheme of Arrangement which includes amalgamation/ merger/ demerger/ restructuring, or sale or disposal of unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company or sale of stake in associate company or any other restructuring.
- ii. 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.
- iii. New Ratings or Revision in ratings.
- iv. Shareholder agreement, JV, Family settlement agreement, agreement / treaty / contract with media companies which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- v. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its subsidiary company, 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:

Provided that such agreements entered into by the 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 the Listing Regulations.

- vi. Fraud/default by promoters or director or key managerial personnel or senior management or subsidiary or by the Company or arrest of KMP, senior management, director or promoter, within India or abroad.

- vii. Winding-up petition filed by any party/creditors.
- viii. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, senior management etc.), Auditor and Compliance Officer.
- ix. 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 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.
- x. In case of resignation of an independent director, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:
  - a. The letter of resignation along with detailed reasons for the resignation as given by the said director.
  - b. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
  - c. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
  - d. The confirmations as provided by the independent director above shall also be disclosed to the stock exchanges along with the disclosures as specified in point a, b and c above.
- xi. 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 Company within seven days from the date that such resignation comes into effect.
- xii. In case the Managing Director or Chief Executive Officer of the Company is/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 exchanges.
- xiii. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
  - a. Decision to initiate resolution of loans/borrowings;
  - b. Signing of Inter-Creditors Agreement (ICA) by lenders;
  - c. Finalization of Resolution Plan;
  - d. Implementation of Resolution Plan;
  - e. Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
- xiv. Appointment or discontinuation of share transfer agent.
- xv. One time settlement with a bank.
- xvi. 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.
- xvii. Proceedings of Annual and Extra Ordinary General Meetings of the Company.

- xviii. Amendments to memorandum and articles of association of the Company, in brief.
- xix. In case of initiation of forensic audit, the following disclosures shall be made to the stock exchanges by the Company:
- a. The fact of initiation of forensic audit along-with name of the Company initiating the audit and reasons for the same, if available;
  - 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
- xx. 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).

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:

- a. 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;
  - b. the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:
- xxi. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a the Company, in relation to any event or information which is material for the Company in terms of Regulation 30 of the Listing Regulations and is not already made available in the public domain by the Company.
- xxii. 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:
- a. search or seizure; or
  - b. re-opening of accounts under section 130 of the Companies Act, 2013; or
  - 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:
    1. name of the authority;
    2. nature and details of the action(s) taken, initiated or order(s) passed;
    3. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
    4. details of the violation(s)/contravention(s) committed or alleged to be committed;
    5. impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.
- xxiii. Action(s) taken 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:
- a. suspension;
  - b. imposition of fine or penalty;

- c. settlement of proceedings;
- d. debarment;
- e. disqualification;
- f. closure of operations;
- g. sanctions imposed;
- h. warning or caution; or
- i. any other similar action(s) by whatever name called;
- j. along with the following details pertaining to the actions(s) initiated, taken or orders passed:
  1. name of the authority;
  2. nature and details of the action(s) taken, initiated or order(s) passed;
  3. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
  4. details of the violation(s)/contravention(s) committed or alleged to be committed;
  5. impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.

xxiv. Voluntary revision of financial statements or the report of the board of directors of the Company under section 131 of the Companies Act, 2013.

*The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of the Listing 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 Company;*
- iii. twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.*

Provided that disclosure with respect to events for which timelines have been mentioned above shall be made within such timelines:

In the event that the disclosure is made after the timelines above mentioned, the Company shall along with such disclosure provide explanation for the delay.

**b. The following Events/ Decisions considered Material, need to be disclosed to the Stock Exchange within thirty minutes of the closure of the Board Meeting:**

- i. Declaration of Dividend and / or cash bonuses recommended or declared and other information pertaining to them.
- ii. Cancellation of dividend with reasons thereof.
- iii. Buyback of shares.
- iv. Fund raising proposed to be undertaken.
- v. Increase in capital by issue of bonus shares.
- vi. Reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue.
- vii. Alteration of capital.
- viii. Financial results.
- ix. Voluntary delisting from Stock Exchanges.

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.

**c. The determination of materiality of the following events shall be based on criteria for determination of materiality of events/information.**

- i. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- ii. Any of the following events pertaining to the Company:
  1. arrangements for strategic, technical, manufacturing, or marketing tie-up; or
  2. adoption of new line(s) of business; or
  3. closure of operation of any unit, division or subsidiary
- iii. 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
- iv. Capacity addition or product launch.
- v. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- vi. Agreements (viz. Loan agreement(s) or any other agreements(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
- vii. 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.
- viii. Effect(s) arising out of change in the regulatory framework applicable to the Company.
- ix. Pendency of any litigation(s) /dispute(s)/ the outcome thereof which may have an impact on the Company.
- x. Fraud/defaults by employees of the Company which has or may have an impact on the Company.
- xi. Options to purchase securities including any ESOP/ESPS Scheme.
- xii. Giving of guarantees or indemnity or becoming a surety for any third party.
- xiii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- xiv. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

**d. 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.**

- e. Without prejudice to the generality of para (a), (b), (c) and (d) above, the Company may make disclosures of event/information as specified by the Board from time to time.

**Compliance Officer**

The Company Secretary of the Company shall be the Compliance Officer for the purpose of complying with the provisions of Listing Regulations.

**Policy Review**

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.