

**ENDURANCE TECHNOLOGIES LIMITED***CIN: L34102MH1999PLC123296***Policy for Determination of Materiality of Event / Information \*****I. Preamble:**

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”), mandates disclosure of any events or information which, in the opinion of the Board of Directors, is material.

Regulation 30 of the Listing Regulations requires the Company to frame a policy for determination of materiality of events or information for disclosure.

**II. Disclosure of events or information:**

1. Events or information specified in Para A of Part A of Schedule III of the Listing Regulations (as may be amended from time to time) will be disclosed without application of any quantitative or qualitative materiality thresholds as these are “deemed” to be material.
2. The events or information specified in Para B of Part A of Schedule III of the Listing Regulations will be disclosed based on application of materiality criteria, as laid out in the Policy below.

**III. Policy:**

The Policy sets out:

1. guidelines for identification of such Information which is deemed to be material in the opinion of the Board of Directors; and
2. roles and responsibilities of Key Managerial Personnel for determining materiality of an event or information and making disclosure to stock exchanges where shares of the Company are listed (“stock exchanges”).

**Guidelines for identification of such Information which is deemed to be Material in the opinion of the Board of Directors**

- A. 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:
    - (1) two percent of turnover, as per the last audited consolidated financial statements of the Company;

\* Ver. 5 (Approved by the Board of Directors at its meeting held on 10<sup>th</sup> August, 2023)

- (2) 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;
    - (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 of the Company, the event or information is considered material.
- B. The following events/ information will be disclosed to the stock exchanges as soon as possible but not later than the timelines as stipulated in Listing Regulations, if such event / information is considered to be material as per the criteria stipulated under (A) above:
1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit /division.
  2. Execution of any agreement and / or entering into any kind of arrangement for strategic, technical, manufacturing, or marketing tie-up.
  3. Adoption of new line(s) of business.
  4. Closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
  5. 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).
  6. Production capacity addition or new product launch.
  7. Awarding, bagging / receiving, amendment or termination of awarded / bagged orders / contracts not in the normal course of business.
  8. 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.
  9. Disruption/ suspension of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
  10. Effect(s) arising out of change in the regulatory framework applicable to the Company.
  11. Pendency of any litigation(s) / dispute(s) / regulatory action(s) the outcome thereof which may have an impact on the Company.
  12. Frauds or defaults by employees of the Company which has or shall have a material adverse effect on the Company.
  13. Giving of guarantee(s) or indemnity or becoming a surety, by whatever name called, for any third party.

14. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
15. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.
16. Any 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.
17. Such other disclosures of event/information as specified by the Board of Directors from time to time.

However, in case of any of the above-mentioned disclosure(s) is made after twenty four hours of the occurrence of the event / information, the Company will provide an explanation, along with such disclosures, for the delay.

- C. In the event the materiality threshold indicated above cannot be applied to a particular event and/or information, the Company shall assess the materiality based on following criteria:
  - (a) the omission of disclosure of a particular event or information is likely to result in discontinuity or alteration of event or information already available publicly; or
  - (b) the omission of disclosure of a particular event or information is likely to result in significant market reaction, if the said omission came to light at a later date.
- D. Only such impact which is direct, reasonably quantifiable & perceivable and not remote, shall be considered.
- E. In addition to the quantitative criteria set forth in (A) above, the Authorised Persons (*defined below*) may apply qualitative criteria for assessment of an event/ information to be material where the quantitative criteria cannot be reasonably ascertained or applied.

**Roles and responsibilities of Key Managerial Personnel for determining materiality of an event or information and making disclosure to stock exchanges.**

- A. In terms of Regulation 30(5), the Board of Directors have authorised the Key Managerial Personnel of the Company i.e. the Managing Director, the Director and Group Chief Financial Officer, the Director and Chief Operating Officer and the Company Secretary and Executive Vice President – Legal as the “Authorised Persons” for the purpose of determining materiality of an event or information as per the guidelines contained under this Policy and making disclosure to the stock exchanges.
- B. The role and responsibility of the Authorised Persons shall be –
  1. To review and assess the materiality of an event that may qualify as

‘material’ and may require disclosure, on the basis of prevailing facts and circumstances. The disclosure shall be finalised in consultation with the Managing Director.

2. To confirm or deny any reported event or information to the stock exchanges. Such communication shall be finalised in consultation with the Managing Director.
  3. To make required disclosures to the stock exchanges within the stipulated time of actual occurrence of an event or information, after ascertaining the facts, the Authorised Persons may follow the guidelines, as mentioned below, regarding the occurrence of an event or information:
    - 3.1. When the occurrence of an event depends on the stage of discussion, negotiation or approval, it should be disclosed within such time frame as stipulated in the Listing Regulations. Considering the price sensitivity involved for certain events, the Authorised Persons may decide to disclose the event upon receipt of approval of the Board of Directors, pending/ subject to approval of the Shareholders.
    - 3.2. In case of force majeure events, disclosure shall be made when the Company becomes aware of the event/ information.

Company will be considered to be aware of the events / information, as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. Here, the term ‘officer’ shall have the same meaning as defined under the Companies Act, 2013.
  4. To disclose material developments with relevant explanation on a regular basis, till such time the event or transaction is resolved / closed.
  5. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
  6. To disclose material events or information with respect to the subsidiaries of the Company.
  7. To ensure that the events and / or information which have been disclosed to the stock exchanges, is disclosed on the Company’s website and the same is hosted on the website for a minimum period of five years and thereafter, as per the archival policy of the Company.
  8. To ensure specific and adequate reply to all queries raised by the stock exchanges w r t the event and / or information disclosed.
  9. To confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of Listing Regulations are circulating amongst the investing public, as soon as reasonably possible and not later than within such time frame as stipulated in the Listing Regulations.
-

**IV. Review of the Policy**

This Policy shall be reviewed by the Board of Directors of the Company at least once in two years or at a lesser frequency as the Board may decide or upon any changes required in the Policy on account of regulatory amendments.

**V. Disclosure**

This Policy shall be placed on the website of the Company.

----- *END OF POLICY* -----