

ESAB INDIA LIMITED
POLICY
ON DETERMINATION AND DISCLOSURE OF MATERIAL EVENTS/INFORMATION

1. Statutory Mandate

The Board of Directors (The "Board") of ESAB India Limited (the "Company") has adopted the following policy and procedures with regard to determination and disclosure of material events or information which are necessary to be disclosed to the stock exchanges based on the criteria as defined under regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Part A of Schedule III to the said regulations. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company with immediate effect in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

2. Policy Objective and Scope

To determine the events and information which in the opinion of the Board are Material and need to be disclosed to the Stock Exchanges as per the time span hitherto defined.

The purpose of this document is to present a policy statement for ESAB India Limited (ESAB) regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

The policy is intended to define ESAB's policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in ESAB.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updating on the website, the details of information / events which are considered material..

3. All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI (LODR) Regulations 2015. In the absence of any such definition or explanation therein, the definition as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time shall prevail.

4. Definitions

"Audit Committee or Committee" means Audit Committee constituted by the Board of Directors of the Company, from time to time under provisions of SEBI (LODR) Regulations 2015, and the Companies Act, 2013

"Board of Directors or Board" means the Board of Directors of ESAB India Limited, as constituted from time to time.

"Independent Director" means a Director of the Company, not being a whole time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 and the SEBI (LODR) Regulations 2015.

"Policy" means Policy on Determination and Disclosure of Material Events or Information

"Mainstream media" or "Social media Intermediaries" 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.

"Material Events or Information" means

- i) The events or information that are specified in Para A of Part A of Schedule III of the SEBI (LODR) Regulations 2015;
- ii) The events or information that are specified in Para B of Part A of Schedule III of the SEBI (LODR) Regulations 2015 shall be considered material based on the application of the guidelines for materiality as specified in sub-regulation (4) of regulation 30 of the SEBI (LODR) Regulations 2015.
- iii) The event or information which is specified in Para C of Part A of the Schedule III of the SEBI (LODR) Regulations 2015
- iv) The event or information which is not specified in Para (A), (B) & (C) of Part A of Schedule III of the SEBI (LODR) Regulations 2015 may be considered as material in the opinion of the Board.

"Key Managerial Personnel" (KMP) of the Company means Managing Director / Whole-time Directors, Chief Financial Officer and Company Secretary, who may be authorised individually or collectively to disclose material events or information to Stock Exchanges.

"Senior Management" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

5. Policy

Based on the recommendation of the Audit Committee of Directors or on its own the Board of Directors of the Company may determine the events which are classified under different categories to be material and / or other events having a

bearing on the performance of the Company and on the share prices of the Company, which needs to be disclosed to the stock exchanges as per the time span specified against each category

6. Materiality criteria for events specified in Para A of Part A of Schedule III to SEBI (LODR) Regulations 2015

Events specified in Para A of Part A of Schedule III to SEBI (LODR) Regulations shall be considered material without application of the guidelines for materiality as specified in sub-regulation (4) of regulation 30 of SEBI (LODR) Regulations.

7. Materiality criteria for events or information specified in Para B of Part A of Schedule III to SEBI (LDOR) Regulations 2015

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; 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:
 - Two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - 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.
 - Five percent of the average absolute value of profit or loss after tax as per the last three audited consolidated financial statements of the Company.

Table I: Illustration for calculation of average of absolute value of profit or loss after tax

<i>(Amount in Rs. crore)</i>	Profit/loss after tax	Absolute value of profit/loss after tax	Average of absolute value of profit/loss after tax for the 3 years
FY 2020-21	(20)	20	(20+50+20) / 3 = 30
FY 2021-22	50	50	
FY 2022-23	(20)	20	

8. Materiality criteria for events or information specified in Para C of Part A of SEBI (LDOR) Regulations 2015

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 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.

9. Materiality criteria for events or information which are not specified in Para (A), (B) and (C) of Part A of Schedule III to SEBI (LDOR) Regulations 2015

If any event or information occurs and which is not specified in Para (A), (B) and (C) of Part A of Schedule III to SEBI (LDOR) Regulations 2015, in the opinion of the Board, such event or information shall be considered material if it satisfies any of the following conditions:

- (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:
 - Two percent of turnover, as per the last audited consolidated financial statements of the Company;

- 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.
- Five percent of the average absolute value of profit or loss after tax as per the last three audited consolidated financial statements of the Company.

10. DISCLOSURE OF MATERIAL EVENTS

CATEGORY A: Events / Information specified in Para A of Part A of Schedule III (Mandatory Disclosures)

Para A	Event / Information	Timeline for disclosure
A	Events which shall be disclosed without any application of the guidelines for materiality	(From the date of occurrence of event / information)
1	Acquisition (including agreement to acquire), Scheme of Arrangement (amalgamation/merger/demerger/restructuring), sale or disposal of any unit, division, whole or substantially the whole of the undertaking or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.	Within 12 hours
2	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.	Within 12 hours
3	New Ratings or Revision in Ratings	Within 24 hours
4	Outcome of meetings of the Board of Directors <ul style="list-style-type: none"> i) 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; ii) Any cancellation of dividend with reasons thereof; iii) The decision on buyback of securities; iv) The decision with respect to fund raising proposed to be undertaken; 	Within 30 minutes from the closure of the Board Meeting.

	<p>v) Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;</p> <p>vi) Re-issue 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>vii) Short particulars of any other alterations of capital, including calls;</p> <p>viii) Financial results;</p> <p>ix) Decision on voluntary delisting by the listed entity from stock exchanges.</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 listed entity), 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 not a party)</p>
5A	<p>Agreements entered into by the shareholder, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity 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 listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the stock exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.</p> <p>Provided that such agreements entered into by a listed entity 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 listed entity or they are required to be disclosed in terms of any other provisions of these regulations.</p>	<p>Within 12 hours (for agreements where listed entity is a party)</p> <p>Within 24 hours (for agreements where listed entity is not a party)</p>

6	Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.	Within 24 hours
7	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, etc.) senior management, auditor and Compliance Officer	Within 12 hours (except in case resignation) Within 24 hours (in case of resignation)
7A	In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor.	Within 24 hours of receipt of resignation from auditor.
7B	Resignation of independent director including reasons for resignation.	Within seven days from the date of resignation.
7C	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director.	Within seven days from the date that such resignation comes into effect.
7D	In case the Managing Director or Chief Executive Officer of the listed entity 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.	Within 12 hours.
8	Appointment or discontinuation of share transfer agent	Within 12 hours
9	Resolution plan/restructuring in relation to loans/borrowings from banks/financial institutions	Within 24 hours
10	One time settlement with a bank	Within 24 hours
11	Winding up petition filed by any party/creditors	Within 24 hours

12	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 listed entity	Within 12 hours
13	Proceedings of annual and extraordinary general meetings of the listed entity	Within 12 hours
14	Amendments to memorandum and articles of association of listed entity, in brief	Within 12 hours
15	<p>a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors</p> <p>b) Audio or video recordings and transcripts of post earnings / quarterly calls, by whatever name called, conducted physically or through digital means.</p>	<p>At least two working days in advance in respect of investors meet.</p> <p>Audio / video recordings made available on the website of the company before the next trading day or within 24 hours whichever is earlier.</p> <p>Transcripts of such calls shall be made available within 5 working days of the conclusion of such calls.</p>
16	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the insolvency code.	Within 24 hours
17	<p>Initiation of forensic audit: In case of initiation of forensic audit, 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 listed entity 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>

18	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.	Within 24 hours
19	Action(s) initiated 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: <ul style="list-style-type: none"> 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 	Within 24 hours
20	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: <ul style="list-style-type: none"> 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; 	Within 24 hours
21	Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act 2013	Within 12 hours

CATEGORY B: Events / Information specified in Para B of Part A of Schedule III and application of guidelines for materiality referred under sub-regulation (4) of regulation 30 of SEBI (LODR) Regulations 2015.

Para B	Event / Information	Timeline for disclosure
B	Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation 30 of SEBI (LODR) Regulations 2015	(From the date of occurrence of event / information)
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 listed entity: i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or ii) adoption of new line(s) of business; or iii) closure of operation of any unit, division or subsidiary (entirely or 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 not a party)
6	Disruption 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.	Within 24 hours

7	Effect(s) arising out of change in the regulatory framework applicable to the listed entity	Within 24 hours
8	Pendency of any litigation(s) of dispute(s) or the outcome thereof which may have an impact on the listed entity	Within 24 hours
9	Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity	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 name called, for any third party	Within 12 hours
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals	Within 12 hours
13	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority	Within 12 hours

CATEGORY C: Any other information/event

Para C	Event / Information	Timeline for disclosure
C	Any other information/event viz. major development that is likely to affect business, eg. 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 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.	Within 24 hours

CATEGORY D: Event / information not specified in para (A), (B) & (C)

Para D	Event / Information	Timeline for disclosure
D	Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event / information as specified by the Board from time to time.	Timeline as specified by the Board

Note:

- i) The disclosures shall be made within 30 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) The disclosures shall be made within 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity.
- iii) The disclosures shall be made within 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity.
- iv) In case the disclosure is made after the specified timelines, the listed entity shall along with such disclosure provide the explanation for the delay.

11. Authority for determination of Materiality of events / information

The Key Managerial Personnel (KMPs) consisting of the Managing / Whole-time Director, Chief Finance Officer / Vice President (Finance) and the Company Secretary are hereby jointly and severally authorised to determine whether the event / information is material or not and in turn about its timeline for disclosure based on the category of information as specified above to the stock exchanges, subject to satisfying the criteria for materiality as specified in the SEBI (LODR) Regulations 2015 and such information being placed prior to or at the immediate Board Meeting held after the said information being made public.

12. Website Updation / Updates to stock exchanges

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates shall also be hosted on the website of the Company.

13. Disaster Preparedness

ESAB India maintains a Business Continuity Plan (BCP) designed to ensure safety of staff as well as members of the general public, safeguard the documents and records pertaining to all material / non-material events and information which would enable a return to normal operating with minimal disruption. Detailed procedures for responding to an incident are part of the BCP.

In the event of major incident, the first priority is the safety of the people, followed by immediate action to rescue or prevent further damage to the records. Depending on the immediate threat, emergency response and recovery actions will take precedence over all other Company activities.

The Company has made appropriate provision for the backup of its digital collections, including the provision of offsite security copies. The backup copies are actively maintained to ensure their continued viability. The Company's Business Continuity Plan (BCP) ensures that the digital collections and technical infrastructure required to manage and access them can be restored in the event of an emergency.

14. Disclosure of events / information on Subsidiaries

The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.

15. Authorisation to KMPs to suo moto accept / deny reported event or information

The Key Managerial Personnel (KMPs) consisting of the Managing / Whole-time Director, Chief Finance Officer / Vice President (Finance) and the Company Secretary are hereby jointly and severally authorised to suo moto accept / deny any report event or information, which has been unauthorisedly made public by media or by any other means including but not limited to electronic means. They are further authorised to respond to the rumours amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company. Such action taken by the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.

The Company may 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 regulation 30 of SEBI (LODR) Regulations 2015 are circulating amongst the investing public. This disclosure by way of confirmation or denial or clarification of the reported event is to be made to the stock exchanges as soon as reasonably possible and not later than twenty-four hours from the reporting of the event or information. This regulation regarding response to the market rumours is currently applicable to the top 250 listed entities effective from 1st April 2024.

16. Quarterly reporting to Audit Committee / Board

The Compliance Officer shall submit a quarterly report to the Audit Committee and Board in every quarterly meetings furnishing the details of the material events / information which were disclosed to the stock exchanges during the preceding quarter.

17. Compliance Officer

The Compliance Officer for the Purpose of complying with the provisions of LODR, 2015 shall be the Company Secretary of the Company.

18. 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.

19. Board's Approval

This policy was approved by the Board of Directors at its meeting held on 10th November 2023.

Managing Director

Revised on 10th November 2023