Anchor Offshore Services Limited

POLICY ON IDENTIFICATION OF GROUP COMPANIES, MATERIAL CREDITORS AND MATERIAL LITIGATIONS

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POLICY ON IDENTIFICATION OF GROUP COMPANIES, MATERIAL CREDITORS AND MATERIAL LITIGATIONS

A. INTRODUCTION

This policy on identification of group companies, material creditors and material litigations has been formulated to set out the thresholds of materiality of Anchor Offshore Services Limited (the "**Company**"), pursuant to the disclosure requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) (the "**SEBI ICDR Regulations**"), in respect of the following:

1. Identification of companies to be disclosed as Group Companies;

2. Identification of 'material' litigation involving the Company, its Subsidiary, its Group Companies, its Directors and its Promoters ((the Company, its Subsidiary, its Directors and promoters, collectively, the "**Relevant Parties**"), its Key Managerial Personnel ("KMPs") and its Senior Management ("SMPs"); (excluding disciplinary actions against the promoters, criminal proceedings, statutory/regulatory actions and taxation matters); and

3. Identification of 'material' creditors.

B. APPLICABILITY AND OBJECTIVE

This policy shall be called the '**Policy on Identification of Group Companies, Material Creditors and Material Litigations**' ("**Materiality Policy**")

The board of directors of the Company ("**Board**") at their meeting held on 26th August, 2026 discussed and approved of this Materiality Policy. This Materiality Policy shall be effective from the date of approval of the Materiality Policy by the Board.

The Company has adopted this Materiality Policy for the identification of: (i) Group Companies; (ii) material creditors; and (ii) material litigations pursuant to the provisions of SEBI ICDR Regulations, details of which shall be disclosed in the offer documents.

In this Materiality Policy, the term "**Offer Documents**" shall mean the draft red herring prospectus, draft abridged prospectus the red herring prospectus, abridged prospectus and the prospectus including any addendum or corrigendum thereto to be filed by the Company in connection with the proposed initial public offering of its equity shares with the Securities and Exchange Board of India ("**SEBI**"), Registrar of Companies - I, Maharashtra at Mumbai and stock exchanges where the equity shares of the Company are proposed to be listed, as applicable.

All other capitalised terms not specifically defined in this Materiality Policy shall have the same meanings ascribed to such terms in the Offer Documents.

In this Materiality Policy, unless the context otherwise requires:

1. Words denoting the singular shall include the plural and vice versa; and

2. References to the words "include" or "including" shall be construed without limitation.

C. POLICY PERTAINING TO THE IDENTIFICATION OF GROUP COMPANIES, MATERIAL CREDITORS AND MATERIAL LITIGATIONS

The Materiality Policy with respect to the identification of the group companies, material creditors and material litigation shall be as follows:

<u>Identification of Group Companies</u>

Requirement:

As per Regulation 2 (1) (t) of the SEBI ICDR Regulations, Group Companies for the purpose of disclosure in the Offer Documents, shall include *"such companies (other than promoter(s) and subsidiary(ies)) and subsidiaries with which the relevant issuer company there were related party transactions, during the period for which restated consolidated financial information is disclosed in the offer document, as covered under the* *applicable accounting standards, and also other companies as considered material by the board of the issuer".*

Policy on Materiality:

For the purpose of disclosure in the Offer Documents, a company shall be considered material and disclosed as a Group Company if:

1. The companies (other than the Subsidiary) with which there were related party transactions (in accordance with Ind AS 24), as disclosed in the restated consolidated financial statements ("**Restated Consolidated Financial Statements**") as included in Offer Documents;

2. Such companies other than the Subsidiaries that are a part of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, with which there were transactions in the most recent financial year, as disclosed in the Restated Consolidated Financial Statements included in the Offer Documents, of a value exceeding individually or in the aggregate, 10% of the total consolidated revenue for the most recent financial year as disclosed in the Restated Consolidated Financial Statements included in the Offer Documents for that period; and

3. Any other company as may be identified as material by the Board.

Information about Group Companies identified based on the above approach shall be disclosed in the Offer Documents in accordance with the SEBI ICDR Regulations.

1. Equans Axima India Private Limited
2. Chemitech Marketing LLC

<u>Identification of Material Creditors</u>

Requirement:

As per the requirements of SEBI ICDR Regulations, the Company shall make relevant disclosures in the Offer Documents and on the website of the Company for outstanding dues to creditors and micro, small and medium enterprises ("**MSMEs**") as on latest financial year/ period disclosed in the Restated Consolidated Financial Statements of the Company as follows:

1. Based on the policy on materiality defined and adopted by the Board, details of the Company's material creditors, which include the consolidated number of creditors and the aggregate amount involved, will be disclosed in the Offer Documents;

2. Consolidated information on outstanding dues to micro, small and medium enterprises ("MSME"), material creditors and other creditors, separately giving details of the number of cases and amount involved, will be disclosed in the Offer Documents; and

3. Complete details about outstanding dues to material creditors along with the name and amount involved for each such material creditor shall be disclosed on the website of the Company with a web link thereto in the Offer Documents.

Policy on Materiality

For identification of material creditors (except banks and financial institutions from whom the Company has availed financing facilities), in terms of paragraph (1) above, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Offer Documents, if amounts due to such creditor exceed 5% of the total restated consolidated trade payables of the Company as per the most recently completed fiscal Restated Consolidated Financial Statements of the Company, as disclosed in the Offer Documents.

Disclosure In the Offer Documents Regarding Material Creditors and MSMEs

1. For creditors identified as 'material' based on the abovementioned criteria, information on outstanding dues to such material creditors shall be disclosed in the Offer Documents along with the details of the material creditors, which include the consolidated number of creditors and amount involved on an aggregate basis, as on latest financial year/ period disclosed in the Restated Consolidated Financial Statements of the Company included in the Offer Documents.

2. For outstanding dues to MSMEs, the disclosure will be based on information available with the Company regarding the status of the creditors as MSMEs as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the statutory auditors in preparing their audit report. Information for such identified MSMEs creditors shall be provided in the Offer Documents in the following manner:

   (a) aggregate amounts due to such MSME creditors; and
   (b) aggregate number of such MSME creditors,

   as on latest financial year/ period disclosed in the Restated Consolidated Financial Statements of the Company included in the Offer Documents.

3. Complete details about outstanding over dues to the material creditors along with the name and amount involved for each such material creditor shall be disclosed on the website of the Company with a web link in the Offer Documents.

The Company shall make relevant disclosures before the Audit Committee/ Board of Directors as required by applicable law from time to time.

Identification of Material Litigations

Requirement:

As per the requirements of SEBI ICDR Regulations, this policy has been formulated to define the materiality thresholds for: (i) disclosure of litigation involving the Company, its promoters and its directors, as applicable (together with the Company, the "**Relevant Parties**"), and its key managerial personnel and its members of senior management (together, the "**Company Personnel**"); and (ii) disclosure of litigation involving the group companies of the Company which have a material impact on the Company;

1. All outstanding criminal proceedings involving the Relevant Parties and the Company Personnel must be disclosed (including matters which are at the first information report ("FIR") stage even if no cognizance has been taken by any court or any other judicial authority);

2. All outstanding actions (including all disciplinary actions, penalties and show cause notices) by regulatory authorities and statutory authorities against the Relevant Parties (including any judicial, quasi-judicial, administrative or enforcement authorities);

3. Disciplinary action(s) including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding action(s);

4. All outstanding claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount;

5. All outstanding claims related to direct and indirect tax matters involving the Relevant Parties must be disclosed in a consolidated manner, giving details of the number of cases and total amount involved in such cases. If a tax matter involves an amount exceeding the threshold proposed below and in relation to each Relevant Party, a separate disclosure of such tax matter will be included; and

6. Other pending civil litigations or arbitration proceedings where the value or expected impact in terms of the value, exceeds the Materiality Threshold (as defined below):

   a) As per the policy of materiality defined by the Board and as disclosed in the Offer Documents; or
   b) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:

      (a) 2% percent of turnover, as per the last Restated Consolidated Financial Statements of the Company; or
      (b) 2% percent of net worth, as per the last three Restated Consolidated Financial Statements of the Company, except in case the arithmetic value of the net worth is negative; or
      (c) 5 percent of the average of absolute value of profit or loss after tax, as per the Restated Consolidated Financial Statements of the Company.

Note: For the purpose of paragraph (c) above, it is clarified that the average of absolute value of profit or loss after tax is to be calculated by disregarding the 'sign' (positive or negative) that denotes such value.

Further, as per the requirement of the SEBI ICDR Regulations, the following outstanding litigations involving the KMPs and Senior Management, shall be disclosed in the Offer Document:

i. All outstanding criminal proceedings (including FIRs, whether cognizance has been taken or not); and
ii. All outstanding actions (including all disciplinary actions, penalties, and show cause notices) by regulatory authorities and statutory authorities against such KMP(s) and Senior Management.

For the purpose of above, pre-litigation notices received by relevant parties, including by KMPs and senior management, from third parties (excluding those notices issued by statutory or regulatory or governmental or taxation authorities), shall not be consider as litigation until such time that the Relevant Parties and including by KMPs and senior management are not impleaded as a defendant or respondent in the litigation proceedings before any judicial/quasi-judicial or arbitral forum or is notified by any government, statutory or regulatory authority of any such proceeding that may be commenced.

Additionally, as per the requirements of SEBI ICDR Regulations, the Company shall also disclose such outstanding litigation involving the Group Companies which has a material impact (as determined by the Board) on the Company.

Policy on materiality

For the purpose of paragraph (6) above, any other pending civil litigation or arbitration (other than litigations mentioned in paras (1) to (5) above) involving the Company and the Relevant Parties shall be considered "material" for the purpose of disclosure in the Offer Documents if:

1. The aggregate monetary claim/ dispute amount/ liability made by or against the Company or the Directors, in any such pending litigation/ arbitration proceeding exceeds the lower of the parameters set out in paragraph (6) above.

2. Wherein monetary liability is not quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold as specified above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects or reputation of the Company.

3. There are any findings or observations arising out of any of the inspections by SEBI or by any other regulator in or outside India, which are outstanding.

Further, pre-litigation notices received by our Relevant Parties (excluding those notices issued by governmental, statutory, regulatory, judicial, quasi-judicial or taxation authorities or notices threatening criminal action), unless otherwise decided by our Board, are not evaluated for materiality until such time that such parties are impleaded as defendants in litigation proceedings before any judicial forum. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has a bearing on the operations or performance of our Company.

Materiality criteria for the Group Companies

Any outstanding litigation involving the Group Companies shall be considered "material" for the purposes of disclosure in the Offer Documents, if the outcome of such litigation (irrespective of any amount involved in such litigation) could have a material adverse effect on the financial position, business, operations, prospects, or reputation of the Company.

D. GENERAL

This Materiality Policy shall be without prejudice to any disclosure requirements, which may be prescribed under the Companies Act, 2013 and the rules thereunder with respect to disclosure of litigation, notices, disputes and other proceedings in the Offer Documents or by SEBI and/or such other applicable authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the Offer Documents, or disclosures that may arise from any investor or other complaints. In this regard, it is clarified that this Materiality Policy is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose.

The Board (including its duly constituted committee wherever permissible) shall have the power to amend any of the provisions of this Materiality Policy, substitute any of the provisions with a new provision or replace this Materiality Policy entirely with a new policy. This Materiality Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time.