

Reg. Office : 1024-1025 Corporate Avenue, Wing-A, Sonawala Road, Nr. Udyog Bhavan, Goregaon (E), Mumbai-400063.  
CIN : U45400MH2008PLC179623 | GST NO. : 27AADCK3526F1ZQ

## **Policy on Materiality of Group Companies, Litigation and Creditors as adopted by the Board of Directors of The Company**

of

### **Kasliwal Projects Limited**

**(Formerly known as Kasliwal Projects Private  
Limited)**

(Effective from 03<sup>rd</sup> September, 2026 approved by Board of Director on 03<sup>rd</sup> September, 2026)



## INTRODUCTION

This policy (the "Policy") has been formulated to define the respective materiality policies in respect of KASLIWAL PROJECTS LIMITED (Formerly known as Kasliwal Projects Private Limited) (the "Company"), pursuant to the disclosure requirements under Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), in respect of the following:

- A. Identification of material companies to be disclosed as Group Companies;
- B. (i) Identification of the 'material' outstanding litigation (in addition to all criminal proceedings, tax proceedings and actions by statutory/ regulatory authorities) involving the Company, its Promoters, its Directors (collectively, the "**Relevant Parties**"); (ii) Identification of all outstanding criminal proceedings against Key Managerial Personnel and Senior Management of the Company and all actions taken by regulatory authorities and statutory authorities against such Key Managerial Personnel and Senior Management; and (iii) identification of outstanding litigation involving the Group Companies which may have a material impact on the Company; and
- C. Identification of material outstanding dues to creditors.

## APPLICABILITY

This Policy shall be effective from the date of approval of the Policy by the board of directors of the Company ("Board").i.e 03<sup>rd</sup> September, 2026.

In this Policy, the term "Offer Documents" shall mean the draft red herring prospectus, the red herring prospectus and the prospectus and any addendum or corrigendum thereto, to be filed and/or submitted 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, Mumbai (the "RoC") and/or stock exchanges where the equity shares of the Company are proposed to be listed (the "Stock Exchanges"), as applicable.

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

### A. Identification of material companies to be disclosed as Group Companies

#### Requirement:

As per the requirements of the SEBI ICDR Regulations, "Group companies", wherever the term occurs, shall include such companies (other than promoter(s) and subsidiary/ subsidiaries) with whom there were related party transactions, during the period for which financial information is disclosed in the Draft Offer Document and Offer Document as per SEBI ICDR Regulations, as covered under the applicable accounting standards, and also other companies as considered material by the Board.

The policy on materiality for determination of such companies as considered material by the Board, as below, shall be disclosed in the Draft Offer Document and Offer Document.



**Policy on Material Group Companies:**

The following companies shall be considered to be material Group Company(ies) under the Draft Offer Document and Offer Document:

A Company (other than the companies covered under the schedule of related party transactions as per the Restated Consolidated Financial Statements),

(i) if it is a member of the Promoter Group (companies) (other than the Promoters) in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and;

(ii) which individually or in the aggregate, in value, exceeds 10 % of the restated revenue from operations of the Company of the most recent completed financial year for which financial information is disclosed in the Offer Documents.

For the avoidance of doubt, it is clarified that the above policy on materiality shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/ or such other applicable authority with respect to listed companies and that the above policy on materiality is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Draft Offer Document and Offer Document and should not be applied towards any other purpose.

**B. Identification of material litigation****Requirement:**

As per the requirements of the SEBI ICDR Regulations, the Company shall disclose the following outstanding litigations involving the Company, its directors, its promoters and its subsidiary (collectively the "**Relevant Parties**") in the Offer Documents:

- (i) all outstanding criminal proceedings;
- (ii) all outstanding actions by regulatory authorities and statutory authorities;
- (iii) all outstanding claims related to direct and indirect tax matters to be disclosed in a consolidated manner, giving details of number of cases and total amount; and
- (iv) any other pending litigation, involving the Relevant Parties, which is determined to be material by the Board; or
- (v) pending litigation involving each of the Group Companies which may have a material impact on the Company.
- (vi) disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years preceding the relevant Offer Documents including any outstanding action.

**Policy on materiality:**

- a. For the purpose of identification of point (iv) above, any pending litigation (including arbitration proceedings) involving the Relevant Parties would be considered 'material' for the purpose of disclosure in the Offer Documents, if:
  - i. the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 2% (two percent) of our Company's Net Worth as on [31<sup>st</sup> March, 2026] (except in case the arithmetic value of the net worth is negative), as per the latest restated consolidated financial statement;



ii. the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 2% (two percent) of our Company's turnover as on [31<sup>st</sup> March, 2026] as per the latest restated consolidated financial statement;

iii. the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess 5% (five percent) of the average of absolute value of profit or loss after tax, as per the last three restated consolidated financial statements of our Company;

- b. where the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (a) above, but where an adverse outcome in any litigation would materially and adversely affect our Company's business, prospects, operations, financial position or reputation, irrespective of the amount involved in such litigation.

Further, disciplinary actions (including penalty) imposed by SEBI or recognized stock exchanges against the promoters in the last five financial years immediately preceding the date of the relevant Offer Document, including outstanding action shall be disclosed in the Offer Document.

It is clarified that for the purposes of the Materiality Policy, pre-litigation notices (other than those issued by governmental, statutory or regulatory, judicial authorities) received by the Relevant Parties shall in any event not be considered as litigation until such time that Relevant Parties are made a party to proceedings initiated before any court, tribunal or governmental, statutory authority or any judicial authority, or is notified by any governmental, statutory or regulatory or any judicial authority of any such proceeding that may be commenced.

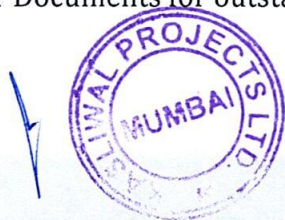
The above policy on materiality shall be without prejudice to any disclosure requirements, which may be prescribed under the Companies Act, 2013 and the rules thereunder with respect to disclosure of litigation, notices, disputes and other proceedings in the Offer Documents or by SEBI and/or such other 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 the above policy on materiality 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 including for disclosure of material information by listed entities pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

### **C. Identification of material outstanding dues to creditors**

#### **Requirement:**

As per the requirements of SEBI ICDR Regulations, the Company shall make relevant disclosures in the Offer Documents for outstanding dues to creditors:



(i) Based on the policy on materiality of the Board of the Company, details of creditors which include the consolidated number of creditors and the aggregate amount involved;

(ii) Consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved; and

(iii) 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.

For outstanding dues to MSME and other creditors, the disclosure will be based on information

available with the Company regarding the status of the creditors as MSME as defined under Section 2 read with Section 7 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.

**Policy on Materiality with respect to outstanding dues to creditors:**

For the purpose of identification of material creditors for disclosure in the Offer Documents terms of point (i) above, a creditor of the Company shall be classified as material if the amounts due to such creditor is in excess of 5 % of restated trade payables of the Company as of the end of the most recent financial period covered in the restated financial statements included in the Offer Documents.

It is clarified that the above policy on materiality of creditors shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/ or such other applicable authority with respect to listed companies and the above policy on materiality is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and the website of the Company and should not be applied towards any other purpose.

\*\*\*\*\*

