



YASH

HIGH VOLTAGE

LIMITED

Company CIN NO.

U40109GJ2002PLC040833

Policy on Identification of Group Companies,
Identification of Material Outstanding Creditors and
Identification of Material Outstanding Litigations

Date of First Approval by Board: 6th AUGUST 2024

Subsequent Revision:

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

INTRODUCTION

This materiality policy ("Policy") has been formulated to define the respective materiality thresholds in respect of Yash Highvoltage 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 from time to time) ("SEBI ICDR Regulations"), in respect of the following:

- A. Identification of 'material' companies to be disclosed as group companies.
- B. Identification of 'material' outstanding litigation involving Company, its promoters, its directors, its subsidiary; and
- C. Identification of 'material' creditors.

OBJECTIVE

In view of the SEBI ICDR Regulations, the Board of Directors ("Board") of **YASH HIGHVOLTAGE LIMITED** ("Company") has adopted this policy and procedures for determination of:

- i. Companies which are considered to be material as a Group company of the Company within the meaning of 'Group Company' defined under the Regulation;
- ii. Material Creditors; and
- iii. Material Litigation.

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

INTERPRETATION

In this Policy, unless the context otherwise requires:

- a. Words denoting the singular shall include the plural and vice versa.
- b. References to the words "include" or "including" shall be construed without limitation.

IDENTIFICATION OF THE GROUP COMPANIES

As per schedule VI of the Regulation, the Company is required to define materiality policy, for identification and disclosure of **"Group Companies"** in its draft prospectus/prospectus as:

"The words "group companies", wherever they occur, shall include such companies as covered under applicable accounting standards and also other companies as considered material by the board of the issuer."

For the purpose of identification of “**Group Companies**”, our Company has considered those companies as our Group Companies which is covered under the applicable accounting standard (Ind GAAP) issued by the Institute of Chartered Accountants of India as per Restated Financial Statements and also other companies as considered material by the Board of the issuer pursuant to the Regulation. The materiality Policy framed by the Board covers such Companies as Our Group Companies which fulfils both (i) and (ii) conditions as mentioned below:-

- i. Such company forming part of the Promoter Group of our Company in terms of Regulation 2(1)(pp)(iv) of the SEBI Regulations; and
- ii. the Company has entered into one or more transactions with such company during three month period ended June 30, 2024 and Fiscal 2024, Fiscal 2023 and 2022 which individually or cumulatively in value exceeds 10% of the total income of our Company for the latest fiscal year derived from the Restated Financial Statements.

IDENTIFICATION OF MATERIAL OUTSTANDING CREDITORS

Our Company is required to disclose pursuant to Para 12(A)(2) of Part A of Schedule VI of the Regulation in the Draft Prospectus/ Prospectus, the details of the outstanding dues to creditors: (i) based on the policy on materiality of our Board, complete disclosure for such creditors; and (ii) consolidated information on outstanding dues to small scale undertakings and other creditors, separately giving details of number of cases and amount involved. Additionally, our Company is required to provide complete details about outstanding dues to creditors as per (i) and (ii) above on the webpage of our Company with a web link thereto in the Draft Prospectus/ Prospectus which is as follows: -

For identification of material creditors, any creditor of the Company shall be material, if the amount due to any one of them exceeds five percent (5.00%) of trade payables as per the latest restated financial statements of the Company.

IDENTIFICATION OF MATERIAL OUTSTANDING LITIGATION

Our Company is required to disclose in the Draft Prospectus/ Prospectus all outstanding: (i) criminal proceedings.

(ii) actions by statutory or regulatory authorities; (iii) taxation matters (indirect and direct taxes); and (iv) other pending material litigation, involving our Company, our directors, our promoters and our Group Companies.

- 1) For the purposes of disclosure pursuant to Para 12(A)(1) of Part A of Schedule VI of the SEBI Regulations and the Materiality Policy, following litigation are considered material for disclosure in Draft Prospectus/ Prospectus of our Company: -

All pending litigation involving our Company, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered ‘material’ :

- (a) where the monetary amount of the claim exceeds the amount which is 1% of the PAT of the financial year ended March 31, 2024, as per the Restated Financial Statements of our Company for the last full Financial Year; or

- (b) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (a) above, the outcome of any such pending proceedings may materially and adversely affect the business, operations or financial position or reputation of the Company.

AMENDMENT

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.

DISSEMINATION OF THE POLICY

The policy shall be hosted on the website of the Company i.e. www.yashhv.com
