



DEVSON CATALYST LIMITED
(Formerly Known as Devson Catalyst Private Limited)
CIN: U31300GJ2004PTC044722

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

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

1. INTRODUCTION:

This materiality policy ("the Policy") has been formulated for the identification of group companies, outstanding litigation and outstanding dues to creditors in respect of Devson Catalyst 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 ("SEBI ICDR Regulations"), which requires the policy of materiality to be disclosed in the Draft Offer Document and Offer Document.

This Policy shall be effective from the date of approval of the Policy by the board of directors of the Company ("Board"). In this Policy, the terms "Draft Offer Document" and "Offer Document" shall have the meaning assigned to it under SEBI ICDR Regulations.

2. APPLICABILITY AND OBJECTIVE:

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

The Company has adopted this Policy for identification and determination of: (i) material creditors; (ii) material litigations and (iii) Group Companies pursuant to the provisions of SEBI ICDR Regulations, details of which shall be disclosed in the Offer Documents to be filed by the Company in connection with the proposed initial public offering of its equity shares with the stock exchanges where the equity shares of the Company are proposed to be listed, Securities and Exchange Board of India, Registrar of Companies, Ahmedabad ("RoC").

3. INTERPRETATION

In this Policy, unless the context otherwise requires:

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

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

The policy with respect to the identification of the Group Companies of our Company, Material Creditors and Material Litigation shall be as follows:

A. IDENTIFICATION OF MATERIAL LITIGATION

Requirement:

(1) The Company shall disclose all the litigations involving the Company or its directors or its promoters or its group companies or its subsidiaries, whichever is applicable, relating to:

- i. All criminal proceedings;
- ii. All actions by regulatory authorities and statutory authorities;
- iii. Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years including outstanding action;
- iv. Claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount;

v. Other pending litigations based on lower of threshold criteria mentioned below-

- (i) As per the policy of materiality defined by the board of directors of the issuer and disclosed in the offer document; or
- (ii) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:
 - (a) two percent of turnover, as per the latest annual restated consolidated financial statements of the issuer; or
 - (b) two percent of net worth, as per the latest annual restated consolidated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or
 - (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer.

(2) All criminal proceedings involving key managerial personnel and senior management of the issuer and also the actions by regulatory authorities and statutory authorities against such key managerial personnel and senior management of the issuer shall also be disclosed.

Policy on Material Litigation:

a. Other than litigations mentioned in points (i) to (v) above, any other pending litigation involving the Company or its directors or its promoters or its subsidiaries, whichever is applicable and required to be disclosed under law, would be considered “**material**” for the purpose of disclosure in the Draft Offer Document and Offer Document if the aggregate amount involved in such individual litigation exceeds 1% of the total Turnover of the Company, as per the last audited financial statements or any such litigation, an adverse outcome of which would materially and adversely affect our Company’s business, prospects, operations, financial position or reputation, irrespective of the amount involved in such litigation.

OR

b. if, in such litigation the monetary liability is not quantifiable, or which does not fulfill the threshold specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the Business, Operations, Performance, Prospects, Financial position or reputation of our Company.

Explanation: Pre-litigation notices received by the Company, its promoter, directors, its subsidiaries and its group companies, unless otherwise decided by the Board of Directors of the Company, shall not be evaluated for materiality until such time that the Company, its directors, its promoters, its subsidiaries or its group companies are impleaded as defendants in litigation proceedings before any judicial forum.

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 governmental 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.

Furthermore, the above policy on materiality shall be without prejudice to the disclosure requirements prescribed under the Companies Act, 2013 and the rules thereunder with respect to disclosure of litigation, notices, disputes and other proceedings in the Draft Offer Document and Offer Document.

B. GROUP COMPANIES

Requirement:

As per the requirements of the SEBI ICDR Regulations, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period (if any) and other Companies as considered material by our Board.

Further, pursuant to the resolution passed by the Board at its Meeting held on January 01, 2026 for the purpose of disclosure in relation to the Group Companies, a company shall be considered as a material group company and disclosed as the same if such company fulfils the conditions as mentioned below:-

Policy on Group Companies:

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

Such companies with which there were related party transactions, during the period for which financial information is disclosed in the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the proposed initial public offering, as covered under the applicable accounting standards and accordingly, the Board shall identify the group companies of the Company in accordance with applicable accounting standards for the purposes of disclosure 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.

C. IDENTIFICATION OF MATERIAL CREDITORS:

Requirement:

As per the requirements of SEBI ICDR Regulations, the Company shall make relevant disclosures in the Draft Offer Document and Offer Document 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;
- (iii) Complete details about outstanding overdues to material creditors as per (i) and (ii) above 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.

Policy on Materiality with respect to outstanding dues to creditors:

For identification of material creditors, in terms of point (i) above, a **creditor of the Company shall be considered to be material for the purpose of disclosure in the Issue Documents, if amounts due to such creditors exceed 10% of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company**, as disclosed in the Issue Documents.

Disclosures in the Issue Documents regarding material creditors

- (i) For creditors identified as 'material' based on the abovementioned Policy, information on

outstanding dues to such material creditors shall be disclosed in the Issue Documents along with the details of the material creditors, which include the consolidated number of creditors and amount involved on an aggregate basis, as of the date of the latest restated financial statements included in the Issue Documents.

- (ii) For outstanding dues to micro, small and medium enterprises (“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 Issue Documents in the following manner:
 - aggregate amounts due to such MSME creditors; and
 - aggregate number of such MSME creditors as of the date of the latest restated financial statements included in the Issue Document.
- (iii) 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 our Company with a web link in the Issue 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 Draft Offer Document and Offer Document and the website of the Company and should not be applied towards any other purpose.

5. AMENDMENT

The Board (including its duly constituted committees wherever permissible) shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. This Policy shall automatically stand amended to reflect any changes to the SEBI Regulations, to the extent the same is the subject matter of this Policy.

6. DISSEMINATION OF THE POLICY

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