



JAY JAGDAMBA LIMITED

MATERIALITY POLICY FOR DISCLOSURES IN THE OFFER DOCUMENTS

CIN: U27100MH2004PLC447688

**Registered Office: Office No. 0405, The Landmark, Plot No. 26A, Sector 07, Kharghar,
Navi Mumbai, Panvel, Raigarh - 410210, Maharashtra, India.**

INTRODUCTION

This policy (“**Policy**”) has been formulated to define the respective materiality policies in respect of Jay Jagdamba 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) (“**SEBI ICDR Regulations**”), in respect of the following:

- A. Identification of companies to be disclosed as Group Companies in the Offer Documents (as defined below);
- B. Identification of ‘material’ litigation (excluding disciplinary actions against the promoters, criminal proceedings, statutory/regulatory actions and taxation matters); and
- C. Identification of ‘material’ creditors.

APPLICABILITY

The Board of Directors of the Company ("Board"), at its meeting held on June 30, 2026, approved this amended and restated Materiality Policy for Disclosures in the Offer Documents, in supersession of the Materiality Policy approved by the Board on June 17, 2025, pursuant to the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

This Policy shall be effective from June 30, 2026.

In this Policy, the term “**Offer Documents**” shall mean the pre-filed draft red herring prospectus, the updated draft red herring prospectus – I, the updated draft red herring prospectus – II, 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, the Registrar of Companies, Maharashtra at Mumbai and/or the 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 Policy shall have the same meanings ascribed to such terms in the Offer Documents.

A. Identification of companies to be disclosed as group companies in the Offer Documents

Requirement:

As per the requirements of the SEBI ICDR Regulations, group companies include such companies (other than the subsidiaries and the promoters) with which there were related party transactions, during the period for which financial information is disclosed in the Offer Document(s), as covered under Ind AS 24, and also other companies as considered material by the Board.

The policy on identification of companies to be disclosed as group companies (other than those covered under Ind AS 24), as below, shall be disclosed in the Offer Documents.

Policy on materiality:

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

- (i) The Company has entered into related party transactions with companies (other than the Subsidiaries) as described under Ind AS 24 with such company during any of the financial periods being included in the Offer Documents; and
- (ii) any other company as may be identified as material by the Board.

In addition, for the purpose of (ii) above, a company (other than the Subsidiaries and the companies covered in (i) above) will be considered material and shall be disclosed as a group company in the Offer Documents if: (i) such company is a member of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and (ii) the Company has entered into one or more transactions with such company during the most recent financial year and the stub period, if any, as per the restated consolidated financial statements of the Company disclosed in the Offer Documents, which individually or cumulatively exceeds 10% of the total consolidated turnover of the Company for such period.

B. Identification of ‘material’ outstanding litigation (excluding disciplinary actions against the promoters, criminal proceedings, statutory/regulatory actions and taxation matters)

Requirement:

As per the requirements of SEBI ICDR Regulations, the Company shall disclose the following pending litigation involving the Company, its Directors, Promoters and Subsidiaries (collectively “**Relevant Parties**”):

- (i) All outstanding criminal proceedings, including matters which are at first information report stage where no/ some cognizance has been taken by any court;
- (ii) All outstanding actions by regulatory authorities and statutory authorities, including notices by such authorities and any findings/observations or warning letters of any of the inspections by SEBI or any other regulatory authority and all penalties;
- (iii) Disciplinary actions including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding action;
- (iv) Outstanding claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount, provided that if the amount involved in any such claims exceeds the materiality threshold, such matter(s) shall be disclosed on an individual basis; and
- (v) Other pending litigations (including civil litigation or arbitration proceedings) involving the Relevant Parties, which are determined to be material – Individual disclosure as per the policy of materiality defined by the Board and disclosed in the Offer Documents.

As per the SEBI ICDR Regulations, the Company shall disclose the following pending litigation involving the key managerial personnel and senior management of the Company:

- (i) all criminal proceedings including matters which are at first information report stage where no/ some cognizance has been taken by any court; and
- (ii) all outstanding actions by regulatory authorities and statutory authorities, including notices by such authorities and any findings/observations or warning letters of any of the inspections by SEBI or any other regulatory authority and all penalties.

Further, 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 on the Company. Any pending litigation involving the group companies, as identified in accordance with provisions of SEBI ICDR Regulations would be considered to have a ‘material impact’ on the Company for the purpose of disclosure in the Offer Documents, if an adverse outcome from such pending litigation would materially and adversely affect the business, operations, cash flows, performance, prospects, financial position or reputation of the Company.

All outstanding labour law cases of a criminal nature will also be disclosed in the Offer Documents.

Policy on materiality:

Other than litigations mentioned in points (i) to (iv) above, any other pending litigation, as mentioned in (v), involving the Relevant Parties would be considered ‘material’ for the purpose of disclosure in the Offer Documents, if:

- (i) Monetary threshold: The monetary amount involved in such proceeding exceeds the lower of:
 - (a) 2% of the turnover of the Company as per the Restated Consolidated Financial Information for the preceding financial year; or
 - (b) 2% of the net worth of the Company as per the Restated Consolidated Financial Information as at the end of the preceding financial year; or
 - (c) 5% of the average of the absolute value of the profit/(loss) after tax as per the Restated Consolidated Financial Information of the preceding three financial years disclosed in the relevant Offer Documents ('Threshold').
- (ii) Subjective threshold: such pending matters which are not quantifiable or do not exceed the monetary threshold, involving the Relevant Parties, whose outcome, in the opinion of the Board, would materially and adversely affect the Company's business, prospects, performance, operations, financial position, reputation or cash flows or the decision in such a proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings exceeds the threshold, even though the amount involved in an individual proceeding does not exceed the threshold; or
- (iii) Any such proceedings wherein a monetary liability is not quantifiable, or which does not fulfil the Threshold specified above, but the outcome of such proceeding could have a material adverse effect on the financial position, business, operations, prospects or reputation of the Company, in the opinion of the Board.
- (iv) Additional threshold: there are any findings or observations arising out of any of the inspections by the Securities and Exchange Board of India or by any other regulator in or outside India, which are outstanding.

It is clarified that for the purpose of this Policy, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by governmental, statutory, regulatory, judicial, quasi-judicial or taxation authorities or notices threatening criminal action) shall, in any event, not be considered as litigation and evaluated for materiality, until such time that Relevant Parties or group companies are impleaded as defendants in litigation proceedings before any judicial/arbitral forum or unless decided otherwise by the board of directors of the Company.

C. Identification of 'material' creditors

Requirement:

As per the requirements of the 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 as follows:

- (i) based on the policy on materiality defined and adopted by the Board, details of the creditors which include the consolidated number of creditors and the aggregate amount involved, will be disclosed in the Offer Documents;
- (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 will be disclosed in the Offer Documents; 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.

Policy on materiality:

For identification of material creditors, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Offer Documents, if the amounts due to such creditor exceeds 5% of the restated consolidated total trade payables of the Company as of the end of the latest financial period covered in the restated consolidated financial statements disclosed in the Offer Documents.

For outstanding dues to micro, small and medium enterprises (“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.

GENERAL

It is clarified that the Policy is solely for the purpose 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.

The Policy shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/ or such other regulatory, judicial, quasi-judicial, governmental, administrative or statutory 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.

This Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time. All other capitalised terms not specifically defined in this Policy shall have the same meanings ascribed to such terms in the Offer Documents.