SAHANARATNABH LIMITED

(Formerly known as SAHANARATNABH PRIVATE LIMITED)

Registered Office: B-Wing 601,602, 610 Tanvi's Diamoda Industrial Premises Cooperative Society Limited, S.V.R.D Dahisar(E) Nr. Petrolpump, Novelty Silk Mill Compound Mumbai, Maharashtra, India, 400068

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POLICY FOR DETERMINING MATERIALITY FOR GROUP COMPANIES, LITIGATION AND CREDITORS

Document Summary

Version Number	V1 – Effective from 3rd November, 2026
Approved by	Board of Directors
Last date of renewal and Version No.	N.A.
Current revision date and Version No.	N.A.
Revision	Any revisions or modifications to this policy are to be formulated by the Chief Compliance Officer/Company Secretary and submitted to the Board of Directors for approval.

SAHANARATNABH LIMITED

(formerly known as SahanaRatnabh Private Limited)

CIN: U74999MH2018PLC311545

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POLICY FOR DETERMINING MATERIALITY FOR GROUP COMPANIES, LITIGATION AND CREDITORS

This Materiality Policy ("**Policy**") has been formulated to define the materiality thresholds in respect of the proposed Initial Public Offering of the Equity Shares of Sahanaratnabh Limited ("**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 of the Company;

B. Identification of 'Material' outstanding litigation (in addition to all criminal proceedings and actions by statutory/ regulatory authorities) involving the Company, its promoter, subsidiaries and directors, as applicable (collectively, the "Relevant Parties"); and

C. Identification of 'Material' creditors of the Company

APPLICABILITY

The board of directors of the Company ("**Board**") at their meeting held on 31st October 2026 discussed and approved this Policy. This Policy shall be effective from the date of its approval by the Board.

"Offer Documents" means the **Draft Red Herring Prospectus**, the **Red Herring Prospectus** and the **Prospectus** (each along with any addenda or corrigenda, 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, the Registrar of Companies and the stock exchange where the equity shares of the Company are proposed to be listed, as applicable.

All other capitalized terms not specifically defined in this Policy shall have the same meaning as prescribed to such terms in the Offer Documents.

A. Identification of material companies to be disclosed as Group Companies of the Company Requirement:

As per the requirements of the SEBI ICDR Regulations, Group Companies include (i) such companies (other than the subsidiaries, if any, 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 the applicable accounting standards; and (ii) other companies as considered 'Material' by the Board.

Policy on Materiality:

For the purpose of point A.(i) above, all such companies (other than subsidiaries of the Company) with which there were related party transactions, during the period for which Restated Financial

Information is disclosed in the Offer Documents, as covered under applicable accounting standards, shall be considered as Group Companies of the Company.

In addition to the above, for the purposes of A. (ii) above, all such companies (other than the subsidiaries of the Company and companies categorized under A. (i) above) shall be considered material and will be disclosed as a 'Group Companies' in the Offer Documents, if such company fulfils the below mentioned conditions:

1. The companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements ("Restated Financial Statements"); or
2. If such company fulfils both the below mentioned conditions: -
    i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
    ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Standalone/ Consolidated Restated Financial Statements.

B. Identification of 'Material' litigation

Requirement: As per the requirements of the SEBI ICDR Regulations, the Company must disclose the following outstanding litigation involving the Relevant Parties:

1. all criminal proceedings (including matters at FIR stage where no/some cognizance has been taken by any court);
2. all outstanding actions by regulatory authorities and statutory authorities;
3. Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years including outstanding action;
4. claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount, however in the event any tax matters involve an amount, exceeding the threshold proposed below in relation to each Relevant Party, individual disclosures of such tax matters will be included; and

Additionally, in terms of the requirements of the SEBI ICDR Regulations, the Company is required to disclose any disciplinary action including penalty imposed by SEBI or stock exchanges against its promoter in the last five financial years preceding the relevant Offer Document including outstanding action.

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.

Pre-litigation notices received by any of the Relevant Parties from third parties (excluding those notices issued by statutory / regulatory / governmental / tax / judicial authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as litigation and accordingly not be disclosed in the Offer Documents until such time that Relevant Parties, as applicable, are impleaded as defendants in litigation proceedings before any judicial or arbitral forum.

Policy on Materiality:

I. Material Litigations involving the Company, its subsidiaries, directors and promoters, Group Companies, KMPs or SMPs

Other than litigations mentioned in points (1) to (4) above, any other pending litigations based on lower of threshold criteria mentioned below:

i. 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 financial statements of the issuer; or

   b) two percent of net worth, as per the latest annual restated 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 financial statements of the issuer."

ii. other pending litigation or arbitration proceedings involving the Relevant Parties would be considered 'material' for the purpose of disclosure in the Offer Documents, if:

   a) any outstanding litigation, where the monetary impact is not quantifiable or lower than the threshold specified in (i) above, but an adverse outcome of which would materially and adversely affect the Company's business, prospects, operations, performance, financial position or reputation; or

   b) all outstanding litigation, with a common cause of action and the aggregate of each of the claim amounts involved in outstanding litigation arising out of such common cause of action, exceed the amount as specified in (i) above.

   c) Lastly, all criminal proceedings involving key managerial personnel and

senior management of the Company and also the actions by regulatory authorities and statutory authorities against such key managerial personnel and senior management of the Company shall also be disclosed.

C. Identification of "Material" creditors

Requirements:

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 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 ("**MSME**") and other creditors, separately giving details of number of cases and aggregate amount involved will be disclosed in the Offer Documents; and

(iii) complete details about outstanding over-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:

For identification of a material creditor, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Offer Documents and the website of the Company, if amounts due to such creditor exceeding 5% of the Company's aggregate trade payables, according to the latest audited/ restated consolidated financial statements for the financial year.

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

under the Companies Act, 2013 and the rules thereunder or by SEBI and/ or such other regulatory 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 additional disclosures that may arise on account of 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.

AMENDMENT

The Managing Director of the Company, in consultation with the Board of Directors 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.

DISSEMINATION OF THE POLICY

The policy shall be hosted on the website of the Company.

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Footnote

1. The Board of Directors of SahanaRatnabh Limited at its meeting held on 3rd November 2026, has adopted this Policy for the first time.



