

# **GETALONG ENTERPRISE LIMITED**

## **POLICY ON MATERIALITY**

**Constituted Date** : 13<sup>th</sup> April, 2021

**Last Amendment Date** : --

**Approved by** : Board of Directors



## **POLICY ON MATERIALITY**

This materiality policy ("the Policy") has been formulated for the identification of group companies, outstanding litigation and outstanding dues to creditors in respect of Getalong Enterprise Limited ("the Company"), pursuant to the disclosure requirements under Schedule VIII 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 offer document.

All outstanding litigation, including any litigation involving Relevant Parties other than criminal proceedings, actions taken by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against Promoters in last five financial years including any outstanding action and litigation involving claims related to direct and indirect taxes, would be considered 'material' if:

- i. The monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 5% of profit after tax of the Company for last completed Fiscal as per the Restated Financial Statements or last completed audited/restated period; or
- ii. Where monetary liability is not quantifiable, the outcome of any such proceedings which may have a material bearing on the business, operations, performance, prospects or reputation of the Company.

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 term "Offer Document" shall mean the Draft Prospectus and the Prospectus to be filed and/or submitted by the Company in connection with the proposed initial public offering of its equity shares with the Registrar of Companies and/or stock exchanges 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 meanings ascribed to such terms in the Offer Documents.

### **A. LITIGATIONS**

The Company shall disclose all the litigations involving the issuer/ its directors/ promoters/ group companies/ subsidiaries related to:

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



- v. Details of other pending litigation, involving the Relevant Parties, which are determined to be material as per the policy defined by the Board (“Other Pending Litigations”)

## **B. GROUP COMPANIES**

Group Company(ies) shall be considered to be material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company. The Company shall make relevant disclosure before the Audit Committee/ Board as required by the applicable law.

For purpose of disclosures in the issue documents to be prepared in connection with the proposed initial public offering of Equity Shares (“**Issue Documents**”), as prescribed under SEBI Regulations, the companies (other than the Promoter and subsidiaries), with which there were related party transactions as per the restated financial statements of the company in respect of which, restated financial statements are included in the Issue Documents (“**Relevant Period**”), shall be identified as the group companies of the Company.

On the basis of above mentioned policy on identification of group companies only following are considered as ‘material’ for purpose of disclosures in the Issue Documents are:

- i. Chothani Foods Limited (“CFL”)
- ii. Myriad Insurance Brokers Limited (“MIBL”)

## **C. OUTSTANDING DUES TO CREDITORS**

Outstanding dues to any creditor of the Company having monetary value which exceeds 5% of total trade payables of the Company, as on date of latest period from restated financial statements of the Company disclosed in the Issue Documents, shall be considered material.

The Company shall make relevant disclosures in the offer document for such creditors as referred hereunder;

- i. Details of creditors which include the consolidated number of creditors and the aggregate amount involved, based on policy on materiality determined by the Board;
- ii. Consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately with the details of number of cases and amount involved; and
- iii. Web link of the relevant page on Company’s website, which contains complete details on outstanding overdues to material creditors along with the name and amount involved for each such material creditor.



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 the above policy on materiality is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Document and the website of the Company and should not be applied towards any other purpose.

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