

# **NUKLEUS OFFICE SOLUTIONS LIMITED**

CIN NO – U70101DL2019PLC355618

(Website: [www.nukleus.work](http://www.nukleus.work))

## **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 Policy ("Policy") has been formulated to define the materiality policy for identification of group companies, outstanding litigation and outstanding dues to creditors in respect of **Nukleus Office Solutions Limited** ("Nukleus" or 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").

This policy for determination of materiality of an event or information ("Policy") has been approved by the Board of Directors of the Company effective from 13<sup>th</sup> August 2024 .

### **2. Purpose**

The purpose of the policy is:

- a. identification of the 'material' companies to be disclosed as group companies of the Company;
- b. identification of the 'material' outstanding litigation (in addition to all criminal proceedings and actions by statutory/ regulatory authorities) involving the Company, its promoters, subsidiaries, and directors (collectively, the "Relevant Parties");
- c. identification of the 'material' creditors of the Company.

### **3. Applicability**

In this Policy, the term "Issue Documents" shall mean the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus (along with any addendum or corrigendum, thereto, if any), as applicable, to be filed with the Securities and Exchange Board of India ("SEBI") the Registrar of Companies, Delhi at New Delhi and the stock exchanges where the equity shares of the Company are proposed to be listed, and any other regulatory authorities, as applicable; and the term "Restated Financial Information" shall mean the restated financial statements of the Company, as disclosed in the relevant Issue Document.

### **4. Determination of Materiality**

#### **A. Identification of the 'material' companies to be disclosed as group companies of the Company**

In terms of the SEBI ICDR Regulations, the term 'group companies' includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which the issuer company has had related party transactions during the period for which financial information is disclosed in the issue document, as covered under the applicable accounting standards, and (ii) any other companies as considered material by the board of directors of the issuer company.



***Policy on materiality***

For the purpose of disclosure in the Issue Documents, the following companies shall be considered as 'Group Companies' of the Company: (i) such companies (other than the corporate promoters) with which there were related party transactions, during the period for which financial information is disclosed in the Issue Documents, as covered under Ind AS 24; and (ii) any other companies as may be considered 'material' by our Board of Directors.

In relation to (ii) above, companies (other than the corporate promoters) forming part of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, with which the Company has had transactions in the most recent financial year or the relevant stub period, as applicable, which individually or in the aggregate, exceed 10% of the total restated revenue from operations of the Company for the most recent financial year or the stub period, as the case may be, as per the restated financial statements included in the Issue Documents.

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

In accordance with the SEBI ICDR Regulations, the following outstanding litigation involving the issuer company, its promoters, directors and subsidiaries shall be disclosed in the Issue Documents:

- a) all criminal proceedings;
- b) all actions by regulatory and statutory authorities;
- c) disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years including outstanding action
- d) claims related to direct and indirect taxes in a consolidated manner, giving the number of cases and total amount involved; and
- e) Other material outstanding litigation - As per the materiality policy defined by the board of directors of the issuer company and disclosed in the Issue Documents

***Policy on materiality***

For the purpose of disclosure in the Issue Documents, the following litigations are to be considered material:

- a. all pending proceedings whether civil, arbitral, tax related litigations, or otherwise of our Company, Subsidiaries, Directors and Promoter of value exceeding 1% (One percent) of the total income or net worth for the most recent financial year or the stub period, as the case may be, as per the restated financial statements included in the Issue Documents has been considered material.
- b. involving our Company, in which the aggregate monetary claim by or against our Company which are similar in nature, exceeds the lower of 10% (Ten percent) of the total income or net worth for the most recent financial year or the stub period, as the case may be, as per the restated financial statements included in the Issue Documents has been considered material.



- c. involving our Promoter, in which the aggregate monetary amount of claim by or against our Promoter exceeds an amount equivalent to 1% (One percent) of the consolidated income or net worth for the most recent financial year or the stub period, as the case may be, as per the restated financial statements included in the Issue Documents has been considered material; and
- d. involving our directors, except as covered under point no. (c) above, irrespective of the amount involved in such litigation, has been considered as material;
- e. any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Directors, our Promoter shall, unless otherwise decided by our Board of Directors or any Committee authorised, not be considered as litigation until such time that our Company, Directors or Promoter, as the case maybe, is impleaded as a defendant in litigation proceedings before any judicial forum.

### **C. Identification of the 'material' creditors of the Company**

As per the requirements of the SEBI ICDR Regulations, the issuer company shall make relevant disclosures in the issue documents and on its website for outstanding dues to creditors as follows:

- (i) based on the policy on materiality defined by the board of directors of the issuer company, details of the 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 aggregate amount involved; 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 issuer company with a web link thereto in the issue documents.

### ***Policy on Materiality***

For identification of material creditors, such creditors of the Company, shall be considered to be material for the purpose of disclosure in the Offer Documents and on the website of the Company, if amount dues to any one of them exceeds 10% of the outstanding trade payables for the most recent financial year or the stub period, as the case may be, as per the restated financial statements included in the Issue Documents.

### **D. General**

In the event of any conflict between the provisions of this Policy and the Act or Regulations or any other statutory enactments or rules, the provisions of such Act or Regulations or statutory enactments or rules shall prevail over this Policy.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, and amendment(s), clarification(s),



circular(s)etc. shall prevail upon the relevant provisions of this Policy shall stand amended accordingly from the effective date of such amendment(s), clarification(s), circular(s)etc.

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