



SAVANI FINANCIALS LIMITED

Regd. Off: 602, Samarth Vaibhav Co-op Hsg Society Ltd., Off Link Road,
Lokhandwala Complex, Andheri (W), Mumbai 400 053

E-MAIL: info@savanifinancials.co.in * Tel: 9820904374, 9821081957

Website: savanifinancials.co.in * CIN No. L67120MH1983PLC031614

GSTN: 27AABCS5316H1ZG

POLICY ON IDENTIFICATION OF MATERIAL LITIGATIONS

A. INTRODUCTION

This Policy has been formulated to define the materiality for identification of outstanding material litigation in respect of Savani Financials Limited (the "**Company**"), its Directors and its Promoters pursuant to the disclosure requirements under Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be amended from time to time ("**SEBI ICDR Regulations**").

B. APPLICABILITY AND OBJECTIVE

This policy shall be called the 'Policy on Identification of Material Litigations' ("**Materiality Policy**").

The Board of Directors of the Company ("**Board**") at their meeting held on 5th December, 2023 discussed and approved this Materiality Policy. This Materiality Policy shall be effective from the date of approval of this Materiality Policy by the Board.

The Company has adopted this Materiality Policy for identification and determination of material litigations pursuant to the provisions of SEBI ICDR Regulations, details of which shall be disclosed in the issue documents.

In this Materiality Policy, the term "**Issue Documents**" shall mean the Draft Letter of Offer and the Letter of Offer to be filed by the Company in connection with the proposed Rights Issue of its equity shares with the Securities and Exchange Board of India, Registrar of Companies, Mumbai ("**RoC**") and stock exchanges where the equity shares of the Company are listed, as applicable.

All other capitalised terms not specifically defined in this Materiality Policy shall have the same meanings ascribed to such terms in the Issue Documents.

In this Materiality Policy, unless the context otherwise requires:

- (i) Words denoting the singular shall include the plural and vice versa;
- (ii) References to the words "include" or "including" shall be construed without limitation.

C. POLICY PERTAINING TO THE IDENTIFICATION OF MATERIAL LITIGATIONS

The Materiality Policy with respect to the identification of the material litigation shall be as follows:

Identification of Material Litigation

Requirement:

As per the requirements of SEBI ICDR Regulations, the Company shall disclose all the litigation involving the Company related to:

- (i) Issues of moral turpitude or criminal liability;
- (ii) Material violations of the statutory regulations;



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- (iii) Economic offences where proceedings have been initiated;
- (iv) Claims related to direct and indirect taxes, in a consolidated manner giving details of number of cases and total amount; and
- (v) Other material pending litigations - as per policy of materiality defined by the Board and disclosed in the Issue Documents.

Policy on materiality:

For the purpose of point number (v) above, any other pending litigation involving the Company, shall be considered "material" for the purpose of disclosure in the Issue Document if:-

- (i) the monetary amount of the claim made by or against the Company in any outstanding civil litigation which is 5 % of the consolidated revenue of the Company as per the last audited consolidated financial statements of the Company for a complete financial year, as included in the Issue Documents; or
- (ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and
- (iii) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

A. AMENDMENT

The Executive Chairman 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.

For SAVANI FINANCIALS LTD.


MANAGING DIRECTOR