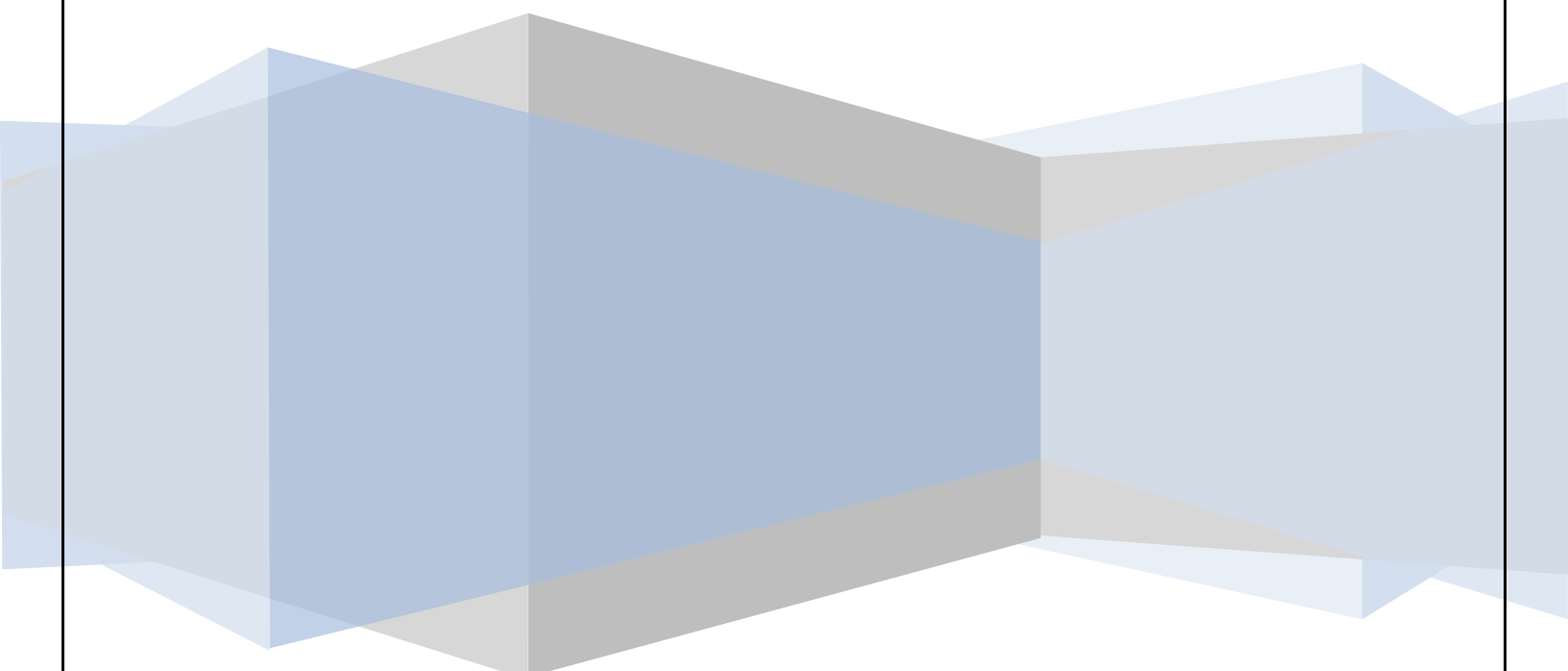


Policy on Materiality and Identification of Group Company



MATERIALITY POLICY AND IDENTIFICATION OF GROUP

1. Introduction

This materiality policy ("**Policy**") has been formulated for the identification of group companies, outstanding litigation and outstanding dues to creditors in respect of Maruti Interior Products Limited ("**Company**"), pursuant to the disclosure requirements under under Schedule VI of Security 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.

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 Documents**" shall mean the draft red herring prospectus, the red herring prospectus, the prospectus or Shelf prospectus 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, Gujarat (Ahmedabad) and /or stock exchange where the equity shares of the Company are proposed to be listed, as applicable.

All other capitalized term not specifically defined in this policy shall have the same meanings ascribed to terms in the Offer Documents.

2. Identification of "Material" Group Companies

Requirement

As per the SEBI ICDR Regulations, the term "Group Companies", shall include such companies "*as covered under the applicable accounting standards and other companies as considered material by the board of the Company*".

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Based on the above-stated definition:

- l. Companies disclosed as related parties in accordance with the relevant accounting standard, i.e Accounting Standard-18, in the Restated Financial Statements of the Company for the last three financial years will be treated as Group Companies, irrespective of whether the company has had any transaction with the related party;

II. For the purpose of the offer documents , a company shall be considered “Material “ and will be disclosed as a “Group Company” in the offer documents, if:

- Such company forms part of the Promoter Group and the Company has entered into one or more transaction with such company that, individually or cumulatively exceed 10 % of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year,(**Such period collectively referred to as the “Relevant Period”**); and/ or
- Such company, subsequent to the Relevant period, would require disclosure in the standalone or consolidated financial statements of the Company for subsequent periods as entities covered under Accounting Standard 18, in addition to/ other than those companies covered under the schedule of related party relationship in terms of Accounting Standard 18 in the standalone and consolidated audited financial statements of the Company for the Relevant Period.

For avoidance of doubt, it is clarified that any companies which, subsequent to the Relevant Period, have ceased to be related parties of the Company in terms of Accounting Standard 18 solely on account of there being no significant influence/ control over such company in terms of Accounting Standard 18 after the Relevant period shall not be considered as “Group Companies”, for the purpose of disclosure in the offer documents.

3. Identification of “Material” Litigation (excluding criminal proceedings, statutory/ regulatory actions and taxation matters).

Requirement

As per the requirement of SEBI ICDR Regulations, the Company shall disclose the following classes of litigation involving the Company/ Directors/ Promoters/ Group Companies/ Subsidiaries:

1. All Criminal Proceedings,
2. All 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 consolidated manner, giving the number of cases and total amount,
5. Other pending litigations- As per the policy of materiality defined by the board of directors of the issuer and disclosed in the offer document.

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1. All litigations pertaining to the Company, its directors/promoters/subsidiaries which are in the nature of criminal, statutory/ regulatory and taxation related are deemed material by the Board. Further the Board considers all other litigation pertaining to the Company, its directors/promoters/subsidiaries which are above a claim amount equal to or exceeding Rs.10 lakhs as material.
2. The litigations of our group companies are not accorded in the materiality clause and litigation in relation to the company. However, if any material litigation arises in the group company, which may directly or indirectly affect the company, the same shall be considered by the company.

4. Identification of “Material” Outstanding dues to Creditors

Requirement

As per the requirements of SEBI ICDR Regulations, the Company shall make relevant disclosures in the offer documents for outstanding dues to creditors:

1. Based on the policy on materiality defined by the board of directors of the issuer, details of creditors which include the consolidated number of creditors and the aggregate amount involved
2. Consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved.
3. Complete details about outstanding overdues 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 weblink thereto.

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All outstanding dues owed by Company to small scale undertaking and other creditors exceeding Rs. Rs.10 lakhs are considered as material by our Board and the same shall be disclosed in the Annual report of the Company. The Board is authorised to display the details of such creditors on the website of our Company.

Disclosures in the offer document regarding Material Creditors and Small Scale Enterprise For Creditors identified as material based on the above mentioned policy, the facts shall be incorporated appropriately in the offer document. In case there are no such cases, a distinct negative statement is required to be made in this regard in the offer document.

5. General

This Policy shall be subject to review/changes as may be deemed necessary by the Board/IPO committee and in accordance with regulatory amendments from time to time.

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