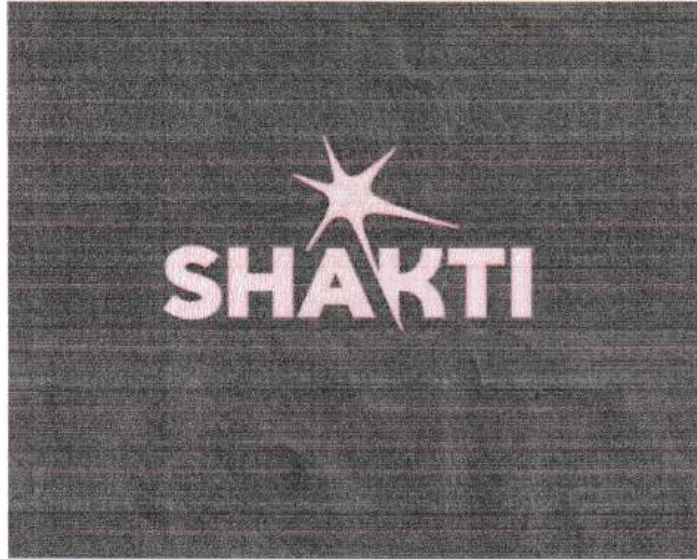




**SHAKTI INFRA PROJECTS LIMITED
(FORMALLY KNOWN AS "SHAKTI INFRA PROJECTS PRIVATE LIMITED")**

**REGISTERED OFFICE: S/O SRI PHOOL SINGH, NEAR VIKRAM CHILD CARE, KALU
KUWAN, BABERU ROAD, BANDA, BANDA, UTTAR PRADESH, INDIA, 210001**

Tel: +91 6387077066;

Website: www.shaktiinfraprojects.com

CIN: U45309UP2022PLC168975

**POLICY ON IDENTIFICATION OF GROUP COMPANIES, IDENTIFICATION OF MATERIAL
OUTSTANDING CREDITORS AND IDENTIFICATION OF MATERIAL OUTSTANDING LITIGATIONS**

INTRODUCTION

Securities Exchange Board of India, vide its notification dated August 14, 2015, notified the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations (Fourth Amendment) Regulations, 2015 ("4 Amendment Regulations") whereby SEBI

- i. modified the definition of the 'group companies';
- ii. modified the disclosure requirements pertaining to litigation involving the issuer company, its directors, its subsidiaries (if any), its promoters and its group companies; and
- iii. modified the disclosure requirement pertaining to the outstanding dues to creditors.

Accordingly, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("Regulation") stands amended to this extent.

OBJECTIVE

In view of the 4 Amendment Regulations, the Board of Directors ("Board") of **SHAKTI INFRA PROJECTS LIMITED**

("Company") has adopted this policy and procedures for determination of:

- i. Companies which are considered to be material as a Group company of the Company within the meaning of 'Group Company' defined under the SEBI Regulations;
- ii. Material Creditors; and
- iii. Material Litigation.

This policy shall be called the 'Policy on Identification of Group Companies, Material Creditors and Material Litigations' ("Policy").

INTERPRETATION

In this Policy, unless the context otherwise requires:

- a. Words denoting the singular shall include the plural and vice versa.
- b. References to the words "include" or "including" shall be construed without limitation.

IDENTIFICATION OF THE GROUP COMPANIES

As per schedule VI of the Regulation, the Company is required to define materiality policy, for identification and disclosure of "**Group Companies**" in its draft prospectus/prospectus as:

"The words "group companies", wherever they occur, shall include such companies as covered under applicable accounting standards and also other companies as considered material by the board of the issuer."

For the purpose of identification of "**Group Companies**", our Company has considered those companies as our Group Companies which is covered under the applicable accounting standard (AS-18) issued by the Institute of Chartered Accountants of India as per Restated Financial Statements and also other companies as considered material by the Board of the issuer pursuant to the Regulation. The materiality Policy framed by the Board covers such Companies as Our Group Companies which fulfils both (i) and (ii) conditions as mentioned below:-

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp)(iv) of the SEBI 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 ten percent (10.00%) of total revenue of the company as per Restated Financial Statements.

शाक्ति

IDENTIFICATION OF MATERIAL OUTSTANDING CREDITORS

Our Company is required to disclose pursuant to Para 12(A)(2) of Part A of Schedule VI of the Regulation in the Draft Prospectus/ Prospectus, the details of the outstanding dues to creditors: (i) based on the policy on materiality of our Board, complete disclosure for such creditors; and (ii) consolidated information on outstanding dues to small scale undertakings and other creditors, separately giving details of number of cases and amount involved. Additionally, our Company is required to provide complete details about outstanding dues to creditors as per (i) and (ii) above on the webpage of our Company with a web link thereto in the Draft Prospectus/ Prospectus which is as follows: -

For identification of material creditors, any creditor of the Company shall be considered to be material, if the amount due to any one of them exceeds ten percent (10.00%) of trade payables as per the last audited financial statements of the Company.

IDENTIFICATION OF MATERIAL OUTSTANDING LITIGATION

Our Company is required to disclose in the Draft Prospectus/ Prospectus all outstanding: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) taxation matters (indirect and direct taxes); and (iv) other pending material litigation, involving our Company, our directors, our promoters and our Group Companies.

- 1) For the purposes of disclosure pursuant to Para 12(A)(1) of Part A of Schedule VI of the SEBI Regulations and the Materiality Policy, following litigation are considered material for disclosure in Draft Prospectus/ Prospectus of our Company:-

All pending litigation involving our Company, holding, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ten percent (10.00%) of the total revenue of our Company as per the last audited financial statement.

- 2) For the purposes of determining material litigation(s) involving our Directors in (iv) above, our Board shall consider all outstanding litigation involving each Director and it believes that if any such litigation has an adverse outcome and therefore, would materially and adversely affect the reputation, operations or financial position of our Company, it shall be considered as material litigation and accordingly, each of our directors shall identify and provide information relating to such outstanding litigation involving themselves.
- 3) Litigation where value or expected impact in terms of value, exceeds the lower of the following:-
 - i) Two percent of the turnover, as per the latest audited restated consolidated financial statement of the issuer;
 - ii) Two percent of net worth, as per the latest annual restated consolidated financial statements of the issuer, except in case the arithmetic value of net worth is negative; or
 - iii) Five percent of the absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer.

AMENDMENT

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.

DISSEMINATION OF THE POLICY

The policy shall be hosted on the website of the Company i.e. www.shaktiinfraprojects.com

Effective Date: 01st April, 2026

Date of Approval by Board of Directors: 01st April, 2026

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