



SIMRAN AGROVET LIMITED

CIN: U15400MP2017PLC043674

**POLICY ON MATERIALITY FOR
IDENTIFICATION OF MATERIAL
CREDITORS**

1. INTRODUCTION

This Policy is formulated in accordance with the disclosure requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (“**SEBI ICDR Regulations**”) and applicable provisions of the Companies Act, 2013, the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws/regulations, to ensure fair, transparent and adequate disclosure of material creditors in the financial statements and corporate filings of **Simran Agrovet Limited** (“the **Company**”)

2. APPLICABILITY AND OBJECTIVE:

This policy shall be called the ‘**Policy on materiality for identification of material creditors**’ (“**Policy**”). This Policy shall be effective from the date of approval of this Policy by the Board.

The Company has adopted this Policy to define the criteria for determining “material creditors” and to establish a consistent framework for identification, monitoring, and disclosure of such creditors.

“**Creditors**” shall mean trade creditors, financial creditors, lenders, suppliers, or service providers to whom the Company owes amounts, whether secured or unsecured.

“**Material Creditors**” shall mean creditors meeting the threshold(s) prescribed under this Policy or under applicable laws/regulations, requiring disclosure in financial statements, offer documents, or regulatory filings.

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

3. INTERPRETATION

In this 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.

4. POLICY PERTAINING TO THE IDENTIFICATION OF MATERIAL CREDITORS

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

Identification of Material 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:

- (i) Based on the policy on materiality defined by the Board, details of the creditors which include the consolidated number of creditors and the aggregate amount involved, will be disclosed in the Offer Documents;
- (ii) Consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved will be disclosed in the Offer Documents; 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 Company with a web link thereto in the Offer Documents.

Policy on Materiality:

For identification of material creditors (except banks and financial institutions from whom the Company has availed financing facilities), in terms of point (i) above, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Offer Documents, if amounts due to such creditor **exceed 5% of the total trade payables** ("Threshold") of the Company as per the most recently completed fiscal period as per the Restated Financial Statements ("Restated Financial Statements") of the Company, as disclosed in the Offer Documents.

5. OTHER CLAUSES PERTAINING TO THE POLICY

It is clarified that the Policy is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose. The Policy shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/ or such other regulatory, judicial, quasi-judicial, governmental, administrative or statutory authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the Offer Documents, or disclosures that may arise from any investor or other complaints.

6. REVIEW AND AMENDMENT

The Audit Committee/Board may review and amend this Policy from time to time in line with changes in applicable laws or business requirements. The Audit

Committee / Board (including its duly constituted committees wherever permissible), shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. This Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time. Any changes in the materiality threshold shall be promptly disclosed, if required by law.

7. DISCLOSURES

The Company shall disclose details of material creditors in its financial statements, Board's Report, Offer Documents (in case of public issue), or any other regulatory filing, in the manner prescribed under applicable laws. The disclosure shall include the name of the creditor, amount outstanding, nature of transaction, and any other relevant details.