

MATERIALITY POLICY OF YAASHVI JEWELLERS LIMITED

This policy ("Policy") has been formulated to define the materiality criteria for identification of material litigation, material group companies and outstanding dues to material creditors in respect of the Issuer for the purposes of relevant disclosures in the Offer Document (Draft Prospectus/ Prospectus) pursuant to the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) ("SEBI ICDR Regulations").

Identification of 'Material' Litigation (excluding criminal proceedings, statutory/regulatory actions and taxation matters):

Requirement:

As per the requirements of SEBI ICDR Regulations, the Issuer shall disclose all the litigations involving the Issuer, its Directors and Promoters, ~~Subsidiary Company~~:

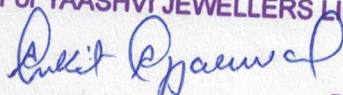
- (i) All criminal proceedings;
- (ii) All actions by statutory / regulatory authorities;
- (iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters during the previous five financial years including outstanding action;
- (iv) Claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount;
- (v) Other pending litigation based on lower of threshold criteria mentioned below:
 - (i) As per the policy of materiality defined by the board of directors of the issuer and disclosed in the offer document; or
 - (ii) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:
 - (a) two percent of turnover, as per the latest annual restated financial statements of the issuer; or
 - (b) two percent of net worth, as per the latest annual restated consolidated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or
 - (c) five percent of the average absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer."

Keeping the aforesaid limits mentioned in clauses (a) to (c) in consideration the lowest threshold in terms of value or expected impact is treated as material for the purposes of disclosure of 'Other pending litigation' in the Offer Documents.

Identification of 'Material' Creditors:

Requirement:

For YAASHVI JEWELLERS LIMITED



Director

As per the requirements of SEBI ICDR Regulations, the Issuer shall make relevant disclosures in the Offer Document for outstanding dues to creditors:

- i. Consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved;
- ii. Based on the policy on materiality defined by the board of directors of the issuer, complete details about outstanding overdues to material creditors along with the name and amount involved for each such material creditor. This list shall also be disclosed, on the website of the company with a web link thereto.

Policy on materiality for Creditors:

For identification of material creditors, such creditors of the Issuer, shall be considered to be material for the purpose of disclosure in the Offer Document and on the website of the Issuer, if amounts exceed 5% of the Company's trade payables for the last restated financial statements.

Further, the details of outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved shall be disclosed in the Offer Documents.

Consolidated information for such identified SSU/MSMEs and creditors shall be provided in the Offer Document in the following manner:

- a. consolidated amounts due to such entities; and
- b. aggregate number of entities.

Identification of Material Group Company:

Requirement:

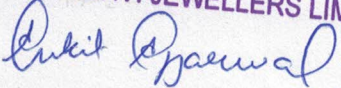
As per the requirements of SEBI ICDR Regulations, the Issuer shall define materiality policy, for identification of "Group Companies" for disclosure of "Group Companies" in its Offer Documents.

Policy on Materiality for Group Company (excluding Subsidiary Company):

For the identification of materiality for Group Companies, such Group Companies of the Issuer, shall be considered to be material for the purpose of disclosure in the Offer Document ("**draft red herring prospectus/red herring prospectus/prospectus**"), if:

- (i) the Company has entered into one or more transaction with such companies which are identified as related parties in accordance with the Accounting Standards-18 as per Restated Financial Statements and
- (ii) shall include all such companies which are considered material by the Board of Directors."

In terms of SEBI Regulation our Group Companies include:

For YAASHVI JEWELLERS LIMITED

Director

1. Those companies which are identified as companies, with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards.

2. All companies which are considered material by the Board of Directors."

General:

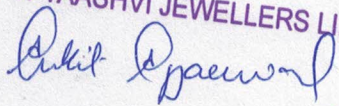
The above policy shall be subject to review/changes by the Issuer as may be deemed necessary and in accordance with regulatory amendments, from time to time and the Issuer shall make relevant disclosures as required by the applicable law from time to time.

FOR ON BEHALF OF THE BOARD

YAASHVI JEWELLERS LIMITED

(COMPANY)

For YAASHVI JEWELLERS LIMITED



Director