

Policy for Identification of 'Material' Litigation

In terms of the SEBI ICDR Regulations, the Issuer shall disclose all the litigations involving the Issuer, its directors, promoters, Group Companies and subsidiaries, related to:

- i. All criminal proceedings;
- ii. All actions by statutory / regulatory authorities; and
- iii. Taxation - Separate disclosures regarding claims related to direct and indirect taxes, in a consolidated manner giving details of number of cases and total amount.

Besides the abovementioned litigations, other material pending litigations, as per policy of materiality defined by the Board shall also be disclosed in the Offer Documents.

In this regard, all other pending litigation involving the Issuer, its directors, promoters, group companies and subsidiaries, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' for the purpose of disclosure in the Offer Documents, if:

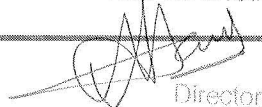
- i. The aggregate amount involved in such individual litigation exceeds 5% of profit after tax of the Company, as per the last audited financial statements, or
- ii. Where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 5% of the profit after tax of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 5% of the profit after tax of the Company, or
- iii. Litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company

and the Board or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

In this Policy the term:

1. Issuer/Company means Sathak Metals Limited. .
2. Promoter Group means Promoter Group of Sathak Metals Limited.

For, Sarthak Metals Limited


Director

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