

MATERIALITY POLICY

INTRODUCTION

This materiality policy (the “**Policy**”) has been formulated to define the respective materiality policies in respect of Dev Accelerator Limited (the “**Company**”), pursuant to the disclosure requirements under Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”), in respect of the following:

- A. Identification of material companies to be disclosed as Group Companies in the Offer Documents (as defined hereinafter);
- B. Identification of the ‘material’ outstanding litigation (in addition to all criminal proceedings, tax proceedings and actions by statutory/ regulatory authorities) involving the Company, its Promoters, Subsidiaries, and Directors (collectively, the “**Relevant Parties**”); and
- C. Identification of ‘material’ creditors and outstanding dues therein.

APPLICABILITY

The board of directors of the Company (the “**Board**”) at their meeting held on July 07, 2025 discussed and approved this Policy. This Policy shall be effective from the date of its approval by the Board.

In this Policy, the term “**Offer Documents**” shall mean the draft red herring prospectus, the red herring prospectus and the prospectus and any addendum or corrigendum thereto, to be filed by the Company in connection with the proposed initial public offering of its equity shares with the Securities and Exchange Board of India, Registrar of Companies, Gujarat at Ahmedabad and stock exchanges where the equity shares of the Company are proposed to be listed, as applicable.

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

A. Identification of material companies to be disclosed as Group Companies

Requirement:

The SEBI ICDR Regulations define “group companies” as “such companies (other than promoter(s) and subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed in the Offer Documents, as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer”.

Therefore, as per the requirements of the SEBI ICDR Regulations, Group Companies shall include:

- (i) companies (other than the promoter(s) and subsidiaries) with which there were related party transactions, during the period for which financial information will be disclosed in the Offer Documents, as covered under the Indian Accounting Standard (Ind AS) 24; and

(ii) companies as considered material by the Board.

Policy on Materiality:

With respect to point (ii) above, such companies which are members of the promoter group and with which the Company has entered into transactions during the most recent completed financial year/and the relevant stub period (as applicable) for which financial information is included in the Offer Documents, and which individually or in the aggregate, in value, exceeds 10% of the restated consolidated total revenue from operations of the Company of the last completed full financial year for which financial information is disclosed in the Offer Documents, will be considered material and disclosed as a "group company." in the Offer Documents.

B. Identification of material litigation

Requirement:

As per the requirements of the SEBI ICDR Regulations, the Company shall disclose the following outstanding litigations involving the Relevant Parties:

- (i) all outstanding criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court);
- (ii) all outstanding actions (including all penalties and show cause notices) by regulatory and statutory authorities;
- (iii) disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years preceding the relevant Offer Documents including any outstanding action;
- (iv) claims related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount; and
- (v) other pending litigations arbitration proceedings as per policy of materiality defined by the board of directors of the Company and disclosed in the Offer Documents.

Further, as per the requirements of SEBI ICDR Regulations, the Company shall also disclose such (i) outstanding litigation involving the group companies which has a material impact on the Company, and (ii) outstanding criminal litigation proceedings and actions by statutory or regulatory authorities involving the key managerial personnel and members of the senior management (together, the "**Personnels**") of the Company.

Policy on materiality:

Other than the litigation mentioned in points (i), (ii) and (iii) above, any other outstanding litigation involving the Relevant Parties (including tax litigation mentioned in point (iv) above) would be considered 'material' for the purpose of disclosure in the Offer Documents, if the monetary amount of claim/ amount in dispute, to the extent quantifiable exceeds, (a) two percent of turnover, for the most recent financial year as per the restated consolidated financial statements ; or (b) two percent of net worth, as at the end of the most recent financial period as per the restated consolidated financial statements; or (c) one percent of the

average of absolute value of profit or loss after tax, for the last three financial years as per the restated consolidated financial statements, whichever is lower ("**Threshold**").

Further, any outstanding civil litigation/ arbitration proceedings involving the Relevant Parties wherein the monetary liability is not quantifiable, or does not exceed the Threshold, shall be considered 'material' and shall be disclosed in the Offer Documents, if the outcome of such litigation could have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company.

Further, any indirect or direct tax litigation which involves a claim amount greater than the materiality thresholds as defined above, will also be disclosed individually.

It is clarified that: (a) First information reports (FIRs) (whether cognizance has been taken or not) initiated against the Relevant Parties and Personnels shall also be disclosed in the Offer Documents; and (b) Pre-litigation notices received by the Relevant Parties and Personnels from third parties (excluding those notices issued by statutory/ regulatory/governmental/ tax authorities or notices threatening criminal action) shall not be considered as litigation until such time that the Relevant Parties and Personnels are impleaded as defendants/ parties in litigation/ arbitration proceedings before any judicial/ arbitral forum.

C. Identification of material creditors and outstanding dues therein

Requirement:

As per the requirements of the SEBI ICDR Regulations, the Company shall make relevant disclosures in the Offer Documents for outstanding dues to creditors as follows:

- (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. For outstanding dues to micro, small and medium enterprises ("**MSME**") and other creditors, the disclosure will be based on information available with the Company regarding the status of the creditors as MSME as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the statutory auditors in preparing their audit report.; 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 the purpose of identification of material creditors for disclosure in the Offer Documents in terms of point (i) above, a creditor of the Company shall be considered to be material, if the amounts due to such creditor is equivalent to or in excess of 5% of restated consolidated trade payables of the Company as of the end of the most recent financial period covered in the restated consolidated financial statements included in the Offer Documents.

GENERAL

It is clarified that the Policy is solely for the purpose of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents, and should not be applied towards any other purpose, including for disclosure of material information by listed entities pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Policy shall be without prejudice to any disclosure requirements, which may be prescribed under the Companies Act, 2013 and the rules thereunder or by SEBI and 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.

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