

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

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

A. INTRODUCTION

This Policy has been formulated to define the materiality for identification of group companies, outstanding litigation and outstanding dues to creditors in respect of **EASY TRIP PLANNERS 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 from time to time (“SEBI ICDR Regulations”).

B. APPLICABILITY AND OBJECTIVE

This policy shall be called the ‘**Policy on Identification of Group Companies, Material Creditors and Material Litigations**’ (“Policy”).

The Company has adopted this Policy for identification and determination of: (i) material creditors; (ii) material litigations and (iii) Group Companies pursuant to the provisions of SEBI ICDR Regulations, details of which shall be disclosed in the Offer Documents.

“Offer Documents” means the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus 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, Delhi (“RoC”) 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 same meanings ascribed to such terms in the Offer Documents.

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.

C. POLICY PERTAINING TO THE IDENTIFICATION OF MATERIAL GROUP COMPANIES, MATERIAL CREDITORS AND MATERIAL LITIGATIONS

The Policy with respect to the identification of the group companies, material creditors and material litigation shall be as follows:

Identification of ‘Material’ Group Companies:

Requirement:

As per the requirements of the SEBI ICDR Regulations, Group Companies include such companies as covered under the applicable accounting standards

(i.e. Indian Accounting Standard 24 (“Ind AS 24”), as applicable) as per the restated consolidated financial statements for three (3) financial years and any subsequent stub period preceding the date of the Offer Document, which is included in such Offer Document and also any other companies as considered material by the board of directors of the Company.

Policy on Materiality:

A company shall be considered material and will be disclosed as a ‘Group Company’ if (i) the Company or its promoters hold 10% or more of the equity share capital of such company; and (ii) the Company has entered into one or more transactions with such company during the last completed financial year, which in value exceeds 5% of the total consolidated revenue of the Company for that financial year as per the restated financial information of the Company (excluding the corporate promoters and subsidiaries of the Company, if applicable).

For avoidance of doubt, it is hereby clarified that the Subsidiaries shall not be considered as Group Companies for the purpose of disclosure in the Offer Documents.

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 and as disclosed in the Offer Document, 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;

Policy on materiality:

For identification of material creditors, 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 exceeds 5 % of the total consolidated trade payables as on the date of the restated consolidated financial statements for the last completed fiscal year included in the Offer Documents.

The Company shall make relevant disclosures before the Audit Committee / Board of directors as required by applicable law from time to time

Identification of Material Litigation

Requirement:

As per the requirements of SEBI ICDR Regulations, the Company shall disclose all the litigation involving the Company, its subsidiaries, joint ventures, directors and group companies related to:

- (i) All criminal proceedings;
- (ii) All actions by statutory / regulatory authorities;
- (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; and
- (iv) Other pending litigations - as per policy of materiality defined by the Board and disclosed in the Offer Documents.

Policy on materiality:

Other than litigations mentioned in point (i) to (iii) above, any other pending litigation involving the Company, its directors, subsidiaries and joint ventures and group companies shall be considered “material” for the purpose of disclosure in the Offer Documents if:-

(a) Pre-litigation notices: Notices received by the Relevant Parties, from third parties (excluding statutory/regulatory/tax authorities) shall, not be evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in proceedings before any judicial forum; and

(b) De minimis monetary threshold for civil litigation: Other than criminal proceedings, tax proceedings and statutory and regulatory actions, any other pending litigation involving the Relevant Parties shall be considered material if the monetary amount of the claim by or against the entity or person in any such proceeding exceeds 1% of the restated profit after tax (on an unconsolidated basis) of the Company for the last fiscal for which restated financial information have been included in the Offer Documents. However, in the event of such pending civil litigation wherein the monetary liability is not quantifiable, such litigation shall be considered material only in the event that the outcome of such litigation may have a material and adverse effect on the operations, performance, prospectus or reputation of the Company.

D. AMENDMENT

The 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.