

DISCLOSURES OF MATERIAL GROUP COMPANIES, MATERIAL OUTSTANDING LITIGATIONS AND OUTSTANDING DUES TO CREDITORS IN THE OFFER DOCUMENTS ISSUED IN PURSUANCE OF THE PROPOSED INITIAL PUBLIC OFFERING OF UNIINFO TELECOM SERVICES LIMITED (“THE COMPANY”)

The Chairman informed the Board that in view of the proposed initial public offering of the Company, as per Schedule VIII of Securities and Exchange of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”), for the purpose of disclosure in the Draft Prospectus, the Prospectus or any other offer documents related to the proposed initial public offering (collectively “Offer Documents”), the Board is required to formulate materiality policies for (i) determining material group companies; (ii) determining material outstanding litigations involving the Company, its directors, its promoters, its group companies and its subsidiaries; and (iii) determining materiality for the purpose of disclosure of outstanding dues owed to small scale undertaking and other creditors.

1. Material Group Companies / Entities

It was noted that the SEBI ICDR Regulations *inter-alia* define ‘Group Companies / Entities’ to include those companies that are covered under the applicable accounting standards as well as those companies that are considered material by the Board. The Board has to consider and approve the materiality policy based on which material group companies/ entities will be determined and disclosures pertaining to which, shall be made in the Offer Documents. After discussion, the Board passed the following resolutions:

“**RESOLVED THAT** the companies falling within the meaning of "Group Companies" as defined under Accounting Standard 21 and Accounting Standard 24, shall be considered as group companies/ entities of the Company for the purpose of disclosure in the offer documents to be filed in relation to the Company’s proposed Initial Public Offering.

“**RESOLVED FURTHER THAT** a company shall be considered material and will also be disclosed as a group company if:

- companies in which, the investment in the form of equity or loan by the Company exceeds 20% of the net worth of the Company as per the audited balance sheet of the Company for the preceding financial year; and
- the Company has entered into one or more transactions with such company in the preceding financial year, cumulatively exceeding 10% of the total revenue of the Company as per the audited balance sheet for the preceding financial year”.

2. Materiality of Outstanding Litigations involving the Company and , Directors, Promoters and Group Companies/ Entities

It was noted that SEBI ICDR Regulations *inter-alia* mandate that the Offer Documents must contain disclosures pertaining to all criminal proceedings, all actions by statutory/regulatory authorities and tax related litigations involving the issuer, its directors,

its promoters and its group companies/ entities. Further, the Board must define a materiality policy to determine the other pending material outstanding litigations involving the Company, its directors, its promoters and its group companies/ entities, which need to be disclosed in the Offer Document(s) in relation to its proposed initial public offering. The Board has to consider and approve the materiality policy based on which the said outstanding litigations shall be disclosed in the offer document. After discussions, the Board passed the following resolutions:

“RESOLVED THAT in view of the nature and extent of operations of the Company , its directors, its promoters and its group companies/ entities, the outstanding litigations involving the Company , its directors, its promoters and group companies/ entities shall be considered material if:

- i. the aggregate amount involved in such individual litigation exceeds 1% 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 1% of profit after tax – of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of the Company; or
- iii. litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the 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.

3. Material Outstanding Dues to Creditors

It was noted that the SEBI ICDR Regulations *inter-alia* mandate that the Board needs to disclose material outstanding dues to the small scale undertakings and other creditors for the purpose of disclosure in the Offer Documents in relation to its proposed initial public offering, in accordance with the policy of materiality defined by the Board. The Board has to consider and approve the materiality policy based on which the said outstanding dues shall be disclosed in the Offer Documents. After discussions, the following resolutions were passed by the Board:

“RESOLVED THAT in view of the nature and extent of outstanding dues of the Company and the nature and extent of the business operations undertaken by the Company, the dues owed by the Company to the small scale undertakings and other creditors exceeding Rs 5,00,000 (Rupees five Lakh only) shall be considered as material dues for the Company.

“RESOLVED FURTHER THAT the details of outstanding dues to such small scale undertakings and other creditors shall be uploaded on the webpage of the Company as required under the SEBI ICDR Regulations.”