

BULLS EYE KNOWLEDGE SYSTEM LIMITED

(Formerly known as Bulls Eye Knowledge System Private Limited)

Regd. Office: S.C.O. 91-92 Front Portion, Second Floor, Sector 8-C, Chandigarh-160009

CIN: U80903CH2013PLC034370

bullaccounts@gmail.com

www.hitbullseye.com

Mob. No. +91-8264906918

MATERIALITY POLICIES

This policy (“**Policy**”) has been formulated to define the materiality policy for identification of group companies, litigation, and outstanding dues to creditors in respect of Bulls Eye Knowledge System Ltd (“**Company**”) for the purposes of relevant disclosure in the Offer Document (*defined herein below*) pursuant to the requirements under Schedule VI of 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’ Group Companies:

Requirement:

As per the requirements of the SEBI ICDR Regulations, “**Group Companies**”, wherever this term occurs, shall include:

- i. all companies which are identified as related parties (in accordance with AS 18/Ind AS 24 issued by the Institute of Chartered Accountants of India) on the basis of the restated financial statements to be included in the Offer Documents; and
- ii. any other companies as considered material by the board of directors (“**Board**”).

The policy on materiality for determination of such companies as considered material by the Board, as below, shall be disclosed in the draft red herring prospectus, red herring prospectus and prospectus issued by the Company in accordance with the provisions of the SEBI ICDR Regulations for the initial public offering of its equity shares (“**Offer Documents**”).

Policy on materiality:

A company shall be considered material and disclosed as ‘Group Company’, if a company (a) has entered into one or more transactions with the Company during the preceding Financial Year which individually or cumulatively in value exceeds 10% of total restated revenue from operations of the Company derived from the restated financial statements as on March 31, 2024.

Based on the above policy of materiality, SEBI (ICDR) requirement and Restated Financial Statements of the Company for the Financial Year ending 31st March, 2024, following company has been identified as a Group Company:

(a) Mind Tree Eduvation Private Limited:

- Registered Office Address: SCO 90-92, Second Floor Sector 8-C, Chandigarh-160009
- CIN: U80903CH2009PTC031691
- Activity of the Company: The company's activities include providing consultancy services, establishing and operating educational institutions, training centers, and

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personality development programs. It offers a range of courses, organizes seminars and workshops, develops educational syllabus and publishes relevant learning materials.

- Financial Performance:

The Financial Performance of M/s Mind Tree Eduvation Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Equity capital	51	51	51
Reserves and surplus (excluding revaluation)	232.73	221.60	214.99
Sales/ Revenue from Operations	0	4.96	300.02
Profit/(Loss) after tax	11.13	6.61	22.00
Earnings per share (₹)	2.18	1.30	4.31
Net Worth available to equity shareholders	283.73	272.60	265.99
Net asset value per share (₹)	55.63	53.45	52.16

For the avoidance of doubt, it is clarified that the above policy on materiality shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/or such other applicable authority with respect to listed companies and that the above policy on materiality is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose.

It is hereby further clarified that the subsidiaries shall not be considered as Group Companies for the purpose of disclosure in the Offer Documents.

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

Requirement:

As per the requirements of SEBI ICDR Regulations, the Company shall disclose all the litigations involving the Company/its directors/promoter/group companies/subsidiaries in relation to:

- All criminal proceedings;
- All actions by statutory/regulatory authorities;
- Taxation – Separate disclosures regarding claims related to direct and indirect taxes, in a consolidated manner giving details of number of cases and total amount;
- Other pending litigations – as per the policy of materiality defined by the Board of the issuer and disclosed in the Offer Documents.

Policy on materiality:

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Other than litigations mentioned in points (i) to (iv) above, any other pending litigation involving the Company, its directors, promoter, subsidiaries, and group companies shall be considered “material” for the purpose of disclosure in the Offer Documents if –

- a. the potential financial liability/monetary claim by or against the Company, its directors, promoter, subsidiaries, and group companies in any such pending matter(s) is in excess of 10% of the total revenue from operation of the Company as per restated financial statements as on March 31, 2024.
- b. any such litigation wherein the monetary liability is not quantifiable which is or is expected to be material from the perspective of the Company’s business, operations, prospects, or reputation.

It is clarified that the above policy on materiality shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and/or such other governmental authority with respect to listed companies and that the above policy on materiality is solely from the prospective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose.

Furthermore, the above policy on materiality shall be without prejudice to the disclosure requirements prescribed under the Companies Act, 2013 and the rules thereunder with respect to disclosure of litigation, notices, disputes, and other proceedings 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 of the Board and as disclosed in the Offer Documents, disclosure for such creditors;
- (ii) consolidated information on outstanding dues to small scale undertakings and other creditors, separately giving details of number of cases and amount involved;
- (iii) complete details about outstanding dues to creditors as per (i) and (ii) above shall be disclosed on the webpage of the company with a web link thereto in the Offer Documents.

Policy on materiality:

The Company shall make relevant disclosures in the Offer Document for such creditors as referred hereunder:

In accordance with our company’s materiality policy, creditors to whom an amount due is equal to or exceeds 10% of the total trade payables as per the restated financial statements (as on June 30, 2024) are considered 'material' creditors. The total trade payables of our

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company as on June 30, 2024 was ₹3,66,103. Therefore, a creditor is considered material as on June 30, 2024, if the amount due exceeds ₹36,610.

As on June 30, 2024, there are no Micro, Small and Medium Enterprises (MSME) creditors to whom the company owes amounts exceeding 10% of the total trade payables, and the aggregate outstanding dues to such MSME creditors is NIL.

The outstanding amounts owed to MSME and other creditors as on June 30, 2024, are as follows:

Particulars	As at June 30, 2024	
	Number of Creditors	Amount Involved (₹)
Micro, Small and Medium Enterprises (MSME)	0	0
Creditors other than MSME	28	3,66,103
Material creditors	3	1,47,584

Since there are no MSME creditors, the amounts due are solely classified under creditors other than MSME.

The details pertaining to amounts due towards material creditors and details about group company is available on the website of our Company at www.hitbullseye.com

ADOPTION AND AMENDMENT

The Board approved and adopted the Policy with effect from 14th November, 2024. The Managing Director of the Company shall have the power to amend any of the of this Materiality provisions Policy, substitute any of the provisions with a new provision or replace this Materiality Policy entirely with a new Policy. The Materiality Policy shall be subject to review/ changes as may be deemed necessary and in accordance with regulatory amendments from time to time.