

ALKA INDIA LIMITED

CIN: L99999MH1993PLC168521

Regd. Address: Gala No. D- 3/4/5, Hatkesh Udyog Nagar-1, Off. Mira
Bhayandar road, GCC Road, Mira Near Hatkesh Substation Thane - 401 107,
Mira Road, Thane, Vasai, Maharashtra, India, 401107

Corporate Office Address: A 1115 Titanium Business Park, Near Makarba
Underpass, Jivraj Park, Ahmedabad, Gujarat, India, 380051

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

INTRODUCTION:

Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI (LODR) Regulations”] requires listed companies to frame a policy for determining “Material Subsidiary.”

Accordingly, the present Policy is framed in accordance with the applicable SEBI (LODR) Regulations notified in this regard.

OBJECTIVE:

The objective of this Policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

DEFINITIONS:

- ❖ “Act” means The Companies Act, 2013 including the Rules, Schedules, Clarifications and Guidelines issued by The Ministry of Corporate Affairs from time to time.
- ❖ “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company from time to time under provisions of Listing Agreement with the Stock Exchanges and the Companies Act, and the Act.
- ❖ “Board of Directors or Board” means the Board of Directors of Alka India Limited
- ❖ “Company” means Alka India Limited.
- ❖ “Policy” means Policy for determining material subsidiary.
- ❖ “Material non-listed Indian Subsidiary” means an un-listed subsidiary incorporated in India, whose turnover or net-worth (i.e. paid-up capital and free reserves) exceeds 10% of the consolidated turnover or net-worth respectively, of the listed holding company and its subsidiary in the immediately preceding accounting year.
- ❖ “Significant transaction or arrangement” means any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the material unlisted subsidiary for the immediately preceding accounting year.
- ❖ “Subsidiary” means subsidiary of the company as defined under the Act

EFFECTIVE DATE:

This policy shall come into effect from 15th day of October, 2025.

POLICY:

- ❖ A subsidiary shall be considered as a Material Subsidiary, if the subsidiary Company whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of listed entity and its subsidiaries in the immediately preceding accounting year;
- ❖ One Independent Director of the Company shall be a director on the Board of the Material Non-Listed Indian Subsidiary Company.
- ❖ The Audit Committee of the Board of the Company shall review the financial statements, in particular, the investments made by the unlisted Subsidiary of the Company.
- ❖ The Minutes of the meetings of the Board of Directors of the unlisted Subsidiary shall be placed before the Board of the Company at regular intervals.
- ❖ The management shall at regular intervals bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted Subsidiary.
- ❖ The management shall present to the Audit Committee annually the list of such Subsidiaries together with the details of the materiality defined herein. The Audit Committee shall review the same and make suitable recommendations to the Board including recommendation for appointment of Independent Director in the Material Non-Listed Indian Subsidiary.
- ❖ The Company shall not dispose of shares in its Material Subsidiary, which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than 50% or cease the exercise of control over the Subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by Court/Tribunal.
- ❖ The Company shall not sell, dispose and lease assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of a special resolution unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.
- ❖ Shareholder's approval as aforesaid would not be required in cases where such divestment of shares or sale/disposal/lease of assets is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

DISCLOSURES:

The Policy shall be disclosed on the Company's website <https://www.alkaindia.in/> and a web link thereto shall be provided in the Annual Report.

AMENDMENTS TO THE POLICY:

The Board of Directors of the Company shall review and may amend this policy from time to time.

Any or all provisions of this policy would be subject to the revision/amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

