



**POLICY ON MATERIAL SUBSIDIARIES**  
**(Pursuant to Regulation 16 and Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

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**1. Objective**

The objective of this Policy is to determine 'material subsidiaries' of the Company and to provide a governance framework for such subsidiaries in accordance with Regulation 16 and 24 of the SEBI (LODR) Regulations, 2015.

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**2. Definitions**

Subsidiary: As defined under Section 2(87) of the Companies Act, 2013.

Material Subsidiary: A subsidiary shall be considered material if:

The income or net worth of the subsidiary (individually or together with other subsidiaries) exceeds 10% of the consolidated income or net worth of the Company and its subsidiaries in the immediately preceding accounting year.

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**3. Applicability**

This Policy applies to all subsidiaries of the Company, whether incorporated in India or outside India, and identifies those that qualify as 'material subsidiaries' for the purposes of enhanced governance and disclosures.

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**4. Governance Framework**

At least one Independent Director on the Board of the Company shall be appointed as a director on the board of an unlisted material subsidiary, whether incorporated in India or not.

The Audit Committee shall review the financial statements, investments, and significant transactions of unlisted subsidiaries.

The minutes of board meetings of all subsidiaries shall be placed before the Board of the holding company.

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**5. Disclosures**

The Company shall disclose this Policy on its website and provide a web link in its Annual Report.

Significant transactions and arrangements entered into by the unlisted subsidiary shall be periodically brought to the notice of the Board of the Company.

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**6. Review and Amendments**

This Policy shall be reviewed periodically and amended as necessary in compliance with applicable laws or business requirements. Amendments shall be subject to the approval of the Board of Directors.

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Approved by the Board of Directors on May 28, 2025

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**SAKETH SEVVENSTAR INDUSTRIES LIMITED**

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