SAHANARATNABH LIMITED

(Formerly known as SAHANARATNABH PRIVATE LIMITED)

Registered Office: B-Wing 601,602, 610 Tanvi's Diamoda Industrial Premises Cooperative Society Limited, S.V.R.D Dahisar(E) Nr. Petrolpump, Novelty Silk Mill Compound Mumbai, Maharashtra, India, 400068

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POLICY FOR DETERMINING MATERIAL SUBSIDIARY(IES)

Document Summary

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Revision	Any revisions or modifications to this policy are to be formulated by the Chief Compliance Officer/Company Secretary and submitted to the Board of Directors for approval.

SAHANARATNABH LIMITED

(formerly known as SahanaRatnabh Private Limited)
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POLICY FOR DETERMINING MATERIAL SUBSIDIARY(IES)

BACKGROUND

The Policy for determining 'material' subsidiary companies has been framed in accordance with the provisions of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Policy will be used to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries. All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

OBJECTIVE

The objective of the policy is to define the Material Subsidiary of Sahanaratnabh Limited **and** to provide good corporate governance framework of such subsidiaries in compliance with the applicable regulatory requirements.

DEFINITIONS

The terms and expressions not defined hereunder shall have the same meaning as defined under the Companies Act, 2013, SEBI Act, 1992 and the Listing Regulations.

"Audit Committee" means Committee constituted pursuant to Section 177 of the Companies Act, 2013 read with other applicable rules and laws, including any statutory modification(s) or re-enactment(s) thereof.

"Control" shall have the same meaning as assigned to the term in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

"Independent Director" shall have the meaning as ascribed to the term under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013, including any modifications, amendments, clarifications, circulars or re- enactments thereof.

"Subsidiary Company" shall mean a subsidiary as defined under Section 2(87) of the Companies Act, 2013 and rules related thereto.

"Material Subsidiary"

For the purpose of this Policy and Regulation 16(1)(c) of the SEBI LODR Regulations, a "Material Subsidiary" means a subsidiary, whose turnover or net worth exceeds ten per cent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

The determination shall be made based on the audited consolidated financial statements of the Company for the immediately preceding accounting year, as applicable

Material Unlisted Subsidiary for the purpose of Regulation 24(1):

Notwithstanding anything contained in Clause above mentioned definition of Regulation 16 SEBI LODR, for the purpose of appointment of an Independent Director on the Board of an unlisted Material Subsidiary under Regulation 24(1) of the SEBI LODR Regulations, "Material Subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds twenty per cent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

PROCEDURE & POLICY

a. A subsidiary shall be a Material Subsidiary, if any of the following conditions are satisfied:

i. Whose turnover or net worth exceeds 10% of the consolidated turnover or net worth of the Company and its Subsidiaries in the immediately preceding accounting year; or

ii. which have generated 10% of the consolidated income of the Company and its Subsidiaries in the immediately preceding accounting year

b. One Independent Director of the Company shall be the Director on the Board of the material unlisted subsidiary company.
Explanation- For the purposes of this provision, notwithstanding anything to the contrary contained in regulation 16 of the Listing Regulations, the term "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

c. The Audit Committee of the Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary company.

d. The minutes of the unlisted subsidiary companies shall be placed before the Board of the Company.

e. The Management shall periodically 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 company.

f. The Company shall not dispose of the shares in Material Subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% or cease the exercise of control over the Subsidiary without passing a special resolution in its General Meeting except in cases where such disinvestment 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.

g. Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution, unless the sale/disposal/lease 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.

h. Every material unlisted subsidiary incorporated in India shall undertake secretarial audit and the secretarial audit report shall be annexed with annual report of the Company.

AMENDMENT

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.

DISSEMINATION OF THE POLICY

The policy shall be hosted on the website of the Company.

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Footnote

1. The Board of Directors of Sahanaratnabh Limited at its meeting held on 2nd November 2026, has adopted this Policy for the first time.

