



MANIKA PLASTECH LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Under Regulation 16(1)(c) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

CIN: U74999DN1996PLC000469

**Registered Office: Gala no. C/22-26, First Tax Free Industrial Estate, Silvassa
Khanvel Road, Village Saily, Silvassa, Dadra & Nagar Haveli- 396 230, India.**

Contents

1. Introduction	3
2. Effective Date	3
3. Definitions	3
4. Corporate governance requirements with respect to subsidiaries.....	4
5. Disclosure	5
6. Compliance Responsibility	5
7. Review and amendments	5

1. Introduction

The Policy for determining 'Material Subsidiaries' has been framed in accordance with explanation to Regulation 16(1)(c) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") to determine the Material Subsidiaries (Listed/ Unlisted) of the Company and to provide the governance framework for such subsidiaries.

2. Effective Date

This Policy shall be effective from the date of approval of the Board of Directors.

3. Definitions

- 3.1 "**Act**" means the Companies Act, 2013 including any statutory modifications or re-enactment thereof.
- 3.2 "**Audit Committee**" means Audit Committee constituted by the Board under Section 177 of the Act read with Regulation 18 of the SEBI Listing Regulations.
- 3.3 "**Board**" means the Board of Directors of Manika Plastech Limited; as constituted from time to time.
- 3.4 "**Company**" means Manika Plastech Limited.
- 3.5 "**Independent Director**" means a director appointed on the Board of the Company as Independent Director and who fulfils the required criteria under the SEBI Listing Regulations and Act as applicable from time to time.
- 3.6 "**Material Subsidiary**" shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- 3.7 "**Net Worth**" means net worth as defined under section 2(57) of the Act.
- 3.8 "**SEBI Listing Regulations**" means the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 3.9 "**Significant transactions and/or arrangement**" shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of total revenues or total expense or total assets or total liabilities, as the case maybe, of the unlisted subsidiary for the immediately preceding accounting year.
- 3.10 "**Subsidiary**" means subsidiary company as defined under Section 2(87) of the Act.
- 3.11 "**Unlisted Subsidiary**" means a Subsidiary of the Company whose shares are not listed on any stock exchange.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI LODR Regulations, Securities Contract (Regulation) Act, 1956 or any other applicable law or regulation, as amended from time to time

4. Corporate governance requirements with respect to subsidiaries

- 4.1 At least one Independent Director on the Board of the Company shall be a director on the board of an unlisted Material Subsidiary, whether incorporated in India or not; For the purpose of appointment of Independent Director, “**Material Subsidiary**” shall mean a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- 4.2 The Audit Committee of the Company shall also review the financial statements in particular the investments made by the unlisted Subsidiary;
- 4.3 The minutes of the board meetings of unlisted Subsidiary shall be placed at the board meeting of the Company;
- 4.4 The management of the unlisted Subsidiary shall periodically bring to the notice of the board of the Company, a statement of all significant transactions and arrangements entered into by the unlisted Subsidiary;
- 4.5 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 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 the 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.
- 4.6 The Company shall not sell, dispose or 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 the 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.
- Nothing contained in this sub-regulation shall be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company.
- 4.7 Where the Company has a listed subsidiary, which is itself a holding company, the policy shall apply to the listed subsidiary in so far as its subsidiaries are concerned.

4.8 All unlisted Material Subsidiaries of the Company incorporated in India shall undertake secretarial audit and annex secretarial audit report given by a Peer Reviewed company secretary in such prescribed format with the annual report of the Company.

4.9 The Company shall disclose all events or information with respect to its Subsidiaries which are material for the Company, in accordance with Regulation 30(9) of the SEBI Listing Regulations.

5. Disclosure

The Company shall disclose in its Board's Report details of this Policy as required under Act and Regulation 46(2) of the SEBI Listing Regulations. This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the Board's Report.

6. Compliance Responsibility

The Chief Financial Officer and Company Secretary of the Company shall be responsible for complying with the provisions of this Policy and other provisions of applicable laws in that regard. Further, he/she shall have the power to ask for any information or clarifications from the Management, for effective discharge of his/her responsibility(ies) in this regard.

7. Review and amendments

In the event of any conflict between the Companies Act, 2013 or the SEBI Listing Regulations or any other statutory enactments and the provisions of this Policy, the Regulations shall prevail over this Policy and the provisions in the Policy would be modified in due course to make it consistent with law. Any subsequent amendment/modification in the Act or the Rules framed thereunder or the SEBI Listing

Regulations and/or any other laws in this regard, the statutes would prevail over the Policy and shall automatically apply to this Policy.

Further, the policy has been approved by the Board of Directors of the Company. The Board and/or Audit Committee may reserve its right to amend or modify the policy in whole or in part, at any time without assigning any reason whatsoever.

Effective Date: 05.04.2025
