Plot No. 36/227, Sector VI, Charkop, Kandivali (West), Mumbai – 400 067
+91 81081 11531 / 32 / 98692 65949 / info@secmark.in / www.secmark.in
CIN: L67190MH2011PLC220404

SECMARK CONSULTANCY LTD.

POLICY ON DETERMINATION OF MATERIAL SUBSIDIARY

1. PREAMBLE

The Board of Directors (the "Board") of "SECMARK CONSULTANCY LIMITED" (the "Company") has adopted the following policy and procedures with regard to determination of Material Subsidiaries in accordance with the provisions of Regulation 16 (1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) ("LODR") Regulations, 2015. The Board may review and amend this policy from time to time.

2. OBJECTIVE

The purpose of forming the Policy is to determine the material subsidiaries and material unlisted Indian subsidiaries of the Company and to provide the governance framework for such subsidiaries.

3. DEFINITIONS

a. "Act" means Companies Act, 2013 & rules made there under.

b. "Audit Committee or Committee" means "Audit Committee" constituted by the Board of Directors of the Company, from time to time, under provisions of the Companies Act, 2013 and Regulations of the SEBI (LODR) (Amendment) Regulations, 2020/ 2018 with the Stock Exchanges.

c. "Independent Director" means a director of the Company, not being a whole-time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under section 149 of Companies Act, 2013 and Regulations of the SEBI (LODR) (Amendment) Regulations, 2018 with the Stock Exchanges.

d. "Material subsidiary" shall mean a subsidiary, whose Turnover or net worth exceeds 10 ten percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

e. "Policy" means Policy on determination of Material Subsidiary.

f. "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 unlisted subsidiary for the immediately preceding accounting year.

g. "Subsidiary" shall be as defined under the Companies Act, 2013 and the Rules made there under.

4. IDENTIFICATION

"Material subsidiary" of the Company would be identified, if any, as one time exercise and such exercise shall be done during each financial year and the conclusion shall be placed before the Audit Committee and the Board of the Company in the first meeting of financial year.

5. REGULATION 24 OF SEBI (LODR) REGULATIONS, 2015 -SUBSIDIARY COMPANIES:

a. The Audit Committee of the company shall also review the financial statements, in particular the investments made by the unlisted subsidiary company;

b. The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the Company at regular intervals.

c. The management shall periodically bring to the attention of the Board of Directors of the company, a statement of all significant transactions & arrangements entered into by the unlisted subsidiary company;

d. At least one independent director on the Board of Directors of the company shall be a director on the Board of Directors of a unlisted material subsidiary company, whether incorporated in India or not.

For the purpose of above point (d), the term "material subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

6. DISPOSAL

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 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.

Further as per Regulation 24 (6) of SEBI LODR Regulation, 2015 to sell, disposal & lease of assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year shall require approval of the shareholders by way of passing special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by 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 the above regulation 24 (6) of SEBI LODR Regulations, 2015 shall be applicable if such sale , disposal or lease of assets is between two wholly-owned subsidiaries of the listed entity.

7. DISCLOSURE:

In the corporate governance Report details of Material subsidiaries of the listed entity like the date and place of incorporation along with the name and date of appointment of the statutory auditors of such subsidiaries shall be disclosed.

8. DISSEMINATION OF THE POLICY

As per Regulation 46 of SEBI (LODR) Regulations, 2015 the Policy for determining Material Subsidiaries as amended from time to time shall be uploaded on the website of the Company www.secmark.in.

Date: February 14, 2025

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