Parinee Crescenzo, "A" Wing, 1102, 11th Floor,
"G" Block, Plot No. C38 & C39,
Behind MCA, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051, India.
Phone : 91-22-6124 0444 / 6124 0428
Fax : 91-22-6124 0438
E-mail : vinati@vinatiorganics.com
Website : www.vinatiorganics.com
CIN : L24116MH1989PLC052224

VINATI ORGANICS LIMITED

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POLICY FOR DETERMINING MATERIAL SUBSIDIARY

Purpose of this policy:

The purpose of this Policy is the determination of Material Subsidiaries and disclosure thereof as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The Board of Directors (the "**Board**") of Vinati Organics Limited ("the Company") has adopted the policy and procedures fordetermining 'material' subsidiary companies ("Policy") in accordance with the provisions of Regulation 16(1)(c) of the Listing Regulations.

This 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 the 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 ("**Act**") and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

The Audit Committee will review the policy periodically and may amend the same from time to time, as may be deemed necessary.

Definitions:

"Act" means the Companies Act, 2013 (the Act) including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time.

"**Audit Committee**" means the committee constituted by the Board of Directors of the Company in accordance with section 177 of the Act and Regulation 18 of the Listing Regulations.

"**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 the Act and the Listing Regulations.

"Material Subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds 10 (Ten) per cent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

"Significant transaction or arrangement" shall mean 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.

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"**Subsidiary**" shall be as defined under the Act and the rules made thereunder.

"**Unlisted Subsidiary**" means subsidiary whose securities are not listed on any recognized StockExchanges.

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Regulations, or any other applicable law or regulation and amendments thereto.

Policy and procedure:

1. The Audit Committee shall also review the financial statements, in particular, the investments made by the unlisted subsidiary of the Company.

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

3. The Board shall be provided periodically with a statement of all significant transactions and arrangements entered into by the unlisted subsidiary Company.

4. At least one Independent Director of the Company shall be a director on the board of theunlisted material subsidiary whether incorporated in India or not. Only for the purposes ofthis provision, notwithstanding anything to the contrary contained in regulation 16(1)(c),the term "Material Subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds 20 (Twenty) per cent of the consolidated turnover or net worth respectively, of the listedentity and its subsidiaries in the immediately preceding accounting year.

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 50% orcease 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 or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognizedstock exchanges within one day of the resolution plan being approved.

6. 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 InsolvencyCode and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

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7. Every Material Unlisted Subsidiary of the Company incorporated in India shall undertake secretarial audit and shall annex a secretarial audit report, given by a company secretary in practice, in such form as may be specified with the annual report of the listed entity.

8. The Audit Committee of the Company may grant omnibus approval for related party transactions proposed to be entered into by the Company or its subsidiary subject to the conditions given in applicable Listing Regulations.

9. The Management of the Company shall monitor and ensure that as and when any of the subsidiary is determined as a Material Subsidiary the same shall be intimated to the Audit Committee. The Audit Committee shall review the same and make suitable recommendations to the Board to ensure compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard.

Disclosures:

The Company shall disclose in its Board's report, details of this Policy as required under the Act and the Listing Regulations. This Policy shall be disclosed on the Company's website and a weblink thereto shall be provided in the Board's report.

Policy Review & Amendment History:

The Board of Directors of the Company, on the recommendation of the Audit Committee, reserves the right to amend or modify this Policy in whole or in part at any time. Any subsequent amendment/modification in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013, or applicable laws shall automatically apply to this Policy.

Document History & Version Control

Version No	Adopted / Approved By	Approval Date	Description / Summary of Changes
1.0	Board of Directors	November 14, 2015	Adoption of Policy on Material Subsidiaries pursuant to Regulation 16(1)(c) of SEBI LODR Regulations, 2015.
2.0	Board of Directors	May 11, 2019	Policy revision in line with SEBI (LODR) (Amendment) Regulations, 2018.
3.0	Board of Directors	February 01, 2025	Periodic review of policy and updating obsolete regulations.

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