



Himadri

Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Version	Revision Date	Approved By	Date Approved
Adopted on	12 February 2015	Board	09 November 2015
V1	29 June 2021	Board	29 June 2021
V2	10 February 2023	Board	10 February 2023
V3	23 April 2026	Board	23 April 2026

Policy for Determining Material Subsidiaries

(Pursuant to Regulation 16(1)(c))

PREAMBLE

The Board of Directors (the “Board”) of Himadri Speciality Chemical Ltd (the “Company”) in compliance with the provisions of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) is required to formulate a policy for determination of Material Subsidiaries.

TITLE

This Policy shall be called as ‘Policy for determining Material Subsidiaries’.

OBJECTIVE

- i. This Policy is framed in accordance with the requirement of Listing Regulations (including any amendments/modifications thereof) and is intended to ensure good corporate governance of material subsidiary companies.
- ii. The Company is required to disclose this policy on its website (www.himadri.com) and a web link thereto shall be provided in its’ Annual Reports as prepared on close of every financial year.

DEFINITIONS

- a. “Board” means the Board of Directors of Himadri Speciality Chemical Ltd.
- b. “Company” means Himadri Speciality Chemical Ltd.
- c. “Holding Company” means holding company as defined in Section 2(46) of the Companies Act, 2013.
- d. “Policy” means this Policy, as amended from time to time.
- e. “Subsidiary Company” or “Subsidiary” means “Subsidiary” as defined in Section 2(87) of the Companies Act, 2013

DETERMINATION OF MATERIALITY

- a. A subsidiary shall be considered as material, if its’ turnover or net worth exceeds 10% (ten percent) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year (“**Material Subsidiary**”).

*For the purpose of Regulation 24 of Listing Regulations, 2015 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.

GOVERNANCE FRAMEWORK

The Audit Committee of the Company shall review the financial statements, specifically focusing on the investments made by the Unlisted Subsidiary Companies associated with HSCL.

The minutes of the Board Meetings of the Unlisted Subsidiary Companies, if any, shall be placed before the Board of the Company.

One Independent Director of the Company shall be the director on the Board of the Unlisted Material Subsidiary Company.

The Company and its unlisted Material Subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified.

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 Companies.

“significant transaction or arrangement” shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% (ten percent) 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.

RESTRICTION ON DISPOSAL OF SHARES OF MATERIAL SUBSIDIARY BY THE COMPANY

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 fifty percent or cease 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 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.

RESTRICTION ON THE DISPOSAL OF ASSETS OF MATERIAL SUBSIDIARY BY THE COMPANY

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.

AMENDMENTS

This policy may be amended, modified or substituted by the Board from time to time in line with the applicable provisions of the Listing Regulations, 2015.

INTERPRETATION

Interpretation of the words used in this policy but not defined herein shall have the same meaning as provided in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, Listing Regulations 2015 or any other relevant legislation / law applicable to the Company.

Sd/-

Anurag Choudhary
Chairman Cum Managing
Director & CEO

Dated: 23 April 2026