ROYAL CHAIN LIMITED
(FORMERLY KNOWN AS ROYAL CHAIN PRIVATE LIMITED & ROYAL CHAINS PRIVATE LIMITED)
GST : 27AAGCR6146R1ZL CIN : U74120MH2013PLC247888
Registered Office : 1st Floor, 127/129, Office No. 101/102,Royal House, Shaikh Memon Street,
Zaveri Bazaar, Kalbadevi,Mumbai - 400002. Maharashtra.

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

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POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

[Pursuant to Regulation 16(1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

A. PREAMBLE:

In accordance with Regulation 16(1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**"), Royal Chain Limited (the "**Company**") is required to formulate a policy for determining the material subsidiaries of the Company.

Accordingly, the Company has adopted this Policy for Determining Material Subsidiaries (the "**Policy**").

Any reference to statutory provisions or regulations in this Policy shall be deemed to include any amendments, re-enactments, or clarifications thereof, and such modifications shall automatically form part of this Policy without requiring any further approval or amendment by the Board or its committees.

B. SCOPE AND EXCLUSION:

This Policy lays down the criteria for identifying the material subsidiary or subsidiaries of the Company.

A subsidiary shall be classified as a "material subsidiary" if, in the immediately preceding financial year, its turnover or net worth exceeds ten percent of the consolidated turnover or net worth, respectively, of the Company and its subsidiaries.

C. DEFINITIONS AND INTERPRETATION:

In this Policy, words and expressions shall have the meaning assigned to them below:

"**Audit Committee**" shall mean the Audit Committee of the Company constituted by the Board;

"**Board**" shall mean the Board of Directors of the Company;

"**Directors**" shall mean all the members of the Board of Directors of the Company, including the Independent Directors;

D. POLICY:

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

2. The minutes of the meetings of the board of directors of the unlisted subsidiary shall be placed at the meeting of the Board of Directors of the Company.

3. The management of the unlisted material subsidiary shall periodically bring to the notice of the Board, a statement of all significant transactions *and* arrangements entered into by the unlisted material subsidiary. The term "significant transaction or arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted material subsidiary for the immediately preceding accounting year.

4. The management shall present to the Audit Committee annually, the list of subsidiaries together with the details of the materiality defined herein. The Audit Committee shall review the same and make suitable recommendations to the Board.

5. At least one independent director on the Board shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not, whose turnover or net worth exceeds 20 (twenty) percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

6. The Company's material unlisted subsidiaries incorporated in India shall undertake secretarial audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the Company.

7. The Company shall not without the prior approval of the shareholders by way of a special resolution:

   a) dispose of shares in its 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 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 and Bankruptcy Code, 2016 and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved; and
   b) selling, disposing and leasing of assets amounting to more than 20% 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 and Bankruptcy Code, 2016 and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
   c) Nothing contained in clause 7(b) above shall be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the listed entity.

E. COMMUNICATION AND DISSEMINATION OF THE POLICY:

A copy of this Policy shall be posted on the website of the Company for all its employees and the Directors. The Policy shall also be disclosed in the Corporate Governance Report and would be a part of the Company's Annual Report.

F. AMENDMENTS:

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace this Policy entirely with a new policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

G. GENERAL:

Where the terms of this Policy differ from any existing or newly enacted law, rule, or regulation, the law, rule or regulation will take precedence over this Policy from the effective date of such law, rule or regulation. For interpretation of this Policy, reference and reliance may be placed upon circulars/clarifications issued by the MCA, SEBI and/or any other authority.

Effective Date:
Date of the approval: 27th September, 2026
Version:

Sd/-
Chairman Signature
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