

Nitta Gelatin India Limited
MATERIAL SUBSIDIARY POLICY

Preamble:

SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015 (including any statutory enactments / amendments thereof) requires all listed companies to formulate a policy for determining 'material subsidiaries'.

The Board of Directors (the "Board") of Nitta Gelatin India Limited (the "Holding Company" or "NGIL"), has, therefore, adopted the following Policy and procedures with regard to determination of Material Subsidiaries, as defined in this Policy.

1. Objective:

1.1 The objective of the Policy is to determine the basis for determining 'Material Subsidiaries' and to provide a governance framework as specified in this policy for such material subsidiaries.

1.2 the Company is required to disclose the policy on the Company's website and a web link thereto shall be provided in the Annual report.

2. Definitions:

Consolidated Turnover or Net worth means the turnover or net worth (i.e., paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of P & L Account after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation) of the Company and its subsidiaries.

Material non-listed Indian subsidiary means a material subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges.

Significant transactions and arrangements shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenue or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.

Words and expressions used in this Policy shall have the same meanings respectively assigned to them in the following acts / regulations / rules.

1. The Companies Act, 2013 or the rules framed thereon;
2. SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015;
3. Securities Contracts (Regulation) Act, 1956;
4. SEBI Act, 1992;
5. SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018;

6. SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011:

7. SEBI (Prohibition of Insider Trading) Regulations, 2015

3. Criteria for determining the Material Subsidiaries:

3.1.A subsidiary shall be a Material subsidiary for the financial year, if any of the following conditions are satisfied:

- a. the net worth of the subsidiary exceeds 10% of consolidated net worth of the Holding Company and subsidiaries; or
- b. the subsidiary has generated 10% of the consolidated turnover of the Holding Company and subsidiaries during the financial year.

Net worth or Turnover, as the case may be, shall be as per the audited balance sheet of the previous financial year.

4. Governance of Material subsidiaries:

4.1 At least one Independent Director of the Holding Company shall be a director on the Board of the material non-listed Indian subsidiary company.

4.2 The Audit Committee of Board of the Holding Company shall review the financial statements, in particular, the investments made by the subsidiary company on a quarterly basis.

4.3 The minutes of the Board Meetings of the unlisted subsidiary company be placed before the Board of the Holding Company in regular intervals.

4.4 Board of Directors of the Holding Company, review all the significant transactions and arrangements entered in to by the subsidiary company, on a quarterly basis.

4.5 The Holding Company, without the prior approval of the members by Special Resolution, shall not:

- a) Dispose the Shares held in material subsidiaries which would reduce the Holding Company's shareholding (either on its own or together with other subsidiaries) to less than 50%; or ceases the exercise of control over the material 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 Code.
- b) Sell, dispose or lease of the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year except in cases where such 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.

5. Amendments:

This policy may be amended by the Board of Directors of the Company at any time and is subject to the (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI. Any subsequent amendment/ modification in the applicable laws in this regard shall automatically apply to this Policy though the Policy is not amended as mentioned above.

6. Disclosures

The Material Subsidiary Policy is to be disclosed in the Annual Report of the Company by way of weblink of the Company website where this policy is disclosed.

The Board of Directors amended the material subsidiary policy at their meeting held on 02.05.2026