



Policy on Material Subsidiaries

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Gokul Agro Resources Limited (CIN-L15142GJ2014PLC080010)	Policy on Material Subsidiaries	Prepared by Last Amendment/ review date by Board	: Secretarial Dept. : February 5, 2026
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1. OBJECTIVE

Companies Act, 2013 (**the "Act"**) and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (**"Listing Regulations"**) have specified certain compliances for governance, control and disposal of company's material subsidiaries.

This policy is largely framed in accordance with the requirement of revised Regulation 16 of the Listing Regulations, including any statutory enactments/ amendments thereof intended to deal with material subsidiaries and to ensure governance framework for material subsidiaries of the Company

2. DEFINITIONS

For this Policy, following terms shall have the meanings ascribed to them as under:

"Act" means Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactments thereof.

"Audit Committee" means the Audit Committee of the Board.

"Board" means Board of Directors of the Company.

"Company" means Gokul Agro Resources Limited

"Consolidated Turnover" means the total turnover of the Company and its subsidiaries.

"Independent Director" means an Independent director of the Company who satisfies the criteria of independence under the Companies Act, 2013 and Listing Regulations.

"Listing Regulations" means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

"Material Subsidiary" means a subsidiary, whose turnover or net worth exceeds 10 percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

"Material Unlisted Indian Subsidiary" means a Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges.

"Networth" means net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013 as amended.

"Policy" means this policy or **"Policy on Material subsidiary"**.

“Significant Transaction or Arrangement” means 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 subsidiary for the immediately preceding accounting year.

“Subsidiary” means subsidiary as defined under the Act.

“Turnover” means the turnover as computed as mentioned under Section 2 (91) of the Companies Act, 2013.

3. GOVERNANCE AND CONTROL

- a) At least one Independent Director of the Company shall be a director on the Board of the material unlisted subsidiary company, whether incorporated in India or not.

Explanation - For the purposes of this sub-clause, notwithstanding anything to the contrary contained in Regulation 16 of Listing Regulations, the term “material subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

- b) The audit committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.
- c) 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.
- d) The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.
- e) The Company and its 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 with its annual report, a secretarial audit report, in such form as may be specified.
- f) The Company, without the prior approval of the members by Special Resolution, shall not:
- i. dispose the shares held in material subsidiaries which would reduce the Company’s shareholding (either on its own or together with other subsidiaries) to less than or equal to 50%; or
 - ii. ceases the exercise of control over the material subsidiary; or

- iii. sale, dispose or lease the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year.

Prior approval of members shall not be required for clause (iii) above, if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company.

4. DEVIATIONS / CONFLICTS

In case of conflict between two regulations viz., the Companies Act 2013 and Listing Regulations are irreconcilably inconsistent, the stricter one shall prevail.

In case of any inconsistency in the policy, the applicable rules and regulations under Listing Regulations and the Companies Act, 2013 shall prevail.

5. DISCLOSURES

The Policy for determining material subsidiaries is to be disclosed in the Annual Report of the Company, as per the provisions of laws in force. The policy shall also be uploaded on the website of the Company.

6. AMENDMENTS AND UPDATES

The Board shall periodically review this Policy and shall also have the power to amend any of the provisions of this Policy, substitute any of the existing provisions with a new provision or replace this Policy entirely with a new Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

7. INTERPRETATION

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

- a) The Companies Act, 2013 or the rules framed thereon;
- b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- c) Securities Contracts (Regulation) Act, 1956;
- d) SEBI Act, 1992;
- e) SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018;
- f) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- g) SEBI (Prohibition of Insider Trading) Regulations, 2015.

In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Board and the decision of the Board in such a case shall be

final. In interpreting such term / provision, the Board may seek the help of any of the officers of the Company or an outside expert as it deems fit.
