

POLICY ON MATERIAL SUBSIDIARY

1. Preamble

This policy is framed to determine the Material Subsidiaries of SecureKloud Technologies Limited (Company), as approved by the Board of Directors of the Company. It is a part of Corporate Governance Framework as per the requirement of Regulation 16(1)(c) and Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Definitions

- a) **Company** shall mean "SecureKloud Technologies Limited"
- b) **Audit Committee** means Committee of Board of Directors of the Company constituted under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.
- c) **Subsidiary** shall mean a Subsidiary as defined under Section 2(87) of the Companies Act, 2013.
- d) **Material Subsidiary** shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated income or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.
- e) **Unlisted Material Subsidiary** shall mean a Material Subsidiary that is unlisted in India.
- f) **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 of the unlisted subsidiary for the immediately preceding accounting year.
- g) **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 Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy and Procedure

- a) Atleast one Independent Director on the Board of Directors of the Company shall be a Director on the Board of Directors of the unlisted Material Subsidiary, whether incorporated in India or not.

Explanation- For the purposes of this provision, notwithstanding anything to the contrary contained in regulation 16, 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.

- b) The Audit Committee of the listed entity shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.
- c) The minutes of the meeting of the Board of Directors of the unlisted subsidiary shall be placed at the meeting of the Board of Directors of the listed entity.

- d) The management of the unlisted subsidiary shall periodically bring to the notice of the Board of Directors of the listed entity, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.
- e) The Company, without obtaining prior approval of the shareholders by a 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 50% or ceases the control over the material subsidiary. Provided in cases where such divestment is made under a scheme of arrangement duly approved by a Court / Tribunal such approval of members is not required;
 - ii. 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. Provided where such sale / disposal / lease is made under a scheme of arrangement duly approved by a Court / Tribunal, such approval of members is not required.
- f) Every 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 listed entity.

4. Disclosure

This Policy shall be disclosed on the Company website and a web link thereto shall be provided in the Annual Report of the Company.

*Amended with effect from March 28, 2025