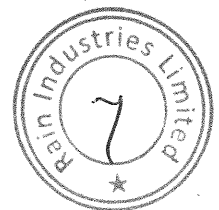


RAIN INDUSTRIES LIMITED

POLICY ON MATERIAL SUBSIDIARIES



RAIN INDUSTRIES LIMITED

CIN : L26942TG1974PLC001693

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POLICY ON MATERIAL SUBSIDIARIES

1. Introduction

The Board of Directors (the “Board”) of Rain Industries Limited (the “Company”) has adopted the following policy and procedures with regard to determination of Material Subsidiaries as defined below. The Board may review and amend this policy from time to time.

This Policy is in terms of Regulation 16 (1) (c) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Policy Objective

To determine the Material Subsidiaries of Rain Industries Limited and to provide the governance framework for such subsidiaries.

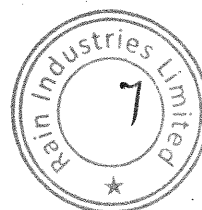
3. Definitions

“Act” means Companies Act, 2013.

“Audit Committee or Committee” means “Audit Committee” constituted by the Board of Directors of the Company, from time to time in compliance with the provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and The Companies Act, 2013.

“Board of Directors” or “Board” means the Board of Directors of Rain Industries Limited, as constituted from time to time.

“Company” means a company incorporated under the Companies Act, 2013 or under any previous company law.



“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 the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Policy” means Policy on Material Subsidiary.

“Material Subsidiary” shall mean a subsidiary, whose income 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.

“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 subsidiary for the immediately preceding accounting year.

“Subsidiary” shall be as defined under the Companies Act, 2013 and the Rules made thereunder.

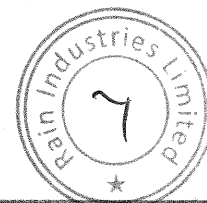
“Listing Regulations” shall mean the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. Policy

1. A subsidiary shall be a Material Subsidiary, if any of the following conditions are satisfied:
 - a. Which has a net worth exceeding ten percent of the consolidated net worth of the Company and its subsidiaries; or
 - b. Which has generated an income exceeding ten percent of the consolidated income of the Company and its subsidiaries in the immediately preceding accounting year.
2. One Independent Director on the Board Of Directors of the Company shall be a Director on the Board Of Directors of the material subsidiary, whether incorporated in India or not.

Note: For all the purposes of this clause, a Material Subsidiary shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

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



4. The minutes of the Board Meetings of the Subsidiary Companies shall be placed before the Board of the Company.
5. The management of the 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 subsidiary.

5. Disposal of Material Subsidiary

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

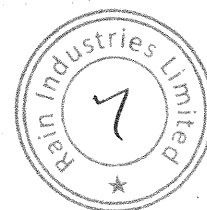
- a. dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent; or
- b. ceases the exercise of control over the subsidiary; or
- c. Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year.

6. Disclosures

The Policy for determining material subsidiaries is to be disclosed to the Stock exchanges and 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 at www.rain-industries.com.

7. General

- a. In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the Board of Directors and Compliance Officer. In all such matters, the interpretation & decision of the Board of Directors shall be final.
- b. In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment/modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.




- c. Any or all provisions of the Policy may be amended with the approval of the Board of Directors.

Place: Hyderabad

for **RAIN INDUSTRIES LIMITED**

Date: August 04, 2023


N. RADHAKRISHNA REDDY
MANAGING DIRECTOR
DIN: 00021052

