Ratnakar Securities Limited
(Formerly Known as Mangalya Soft-Tech Limited)

CIN: L66120GJ1992PLC017564

Policy on Determining Material Subsidiaries

[Pursuant to Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. PURPOSE OF THE POLICY

The purpose of this Policy is determination of Material Subsidiaries and disclosure thereof as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR').

2. OBJECTIVE OF THE POLICY

The objective of this Policy is to determine (a) meaning of Material Subsidiary (b) requirement of appointing an Independent Director of the Company on the Board of Unlisted Material Subsidiaries (c) Restriction on disposal of shares of Material Subsidiaries (d) Restriction on Selling, Disposing and Leasing of assets of Material Subsidiary (e) Secretarial Audit of Material Unlisted Subsidiaries incorporated in India and (f) Disclosure requirements prescribed under SEBI LODR.

3. DEFINITIONS

"Board"	Implies Board of Directors of Ratnakar Securities Limited (Formerly Known as Mangalya Soft-Tech Limited)
"Company"	means Ratnakar Securities Limited (Formerly Known as Mangalya Soft-Tech Limited)
"Control"	Shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder agreements or voting agreements or in any other manner.
"Material Subsidiary"	Unless specified otherwise, a 'Material Subsidiary' shall mean a subsidiary, whose income or net worth exceeds ten percent (10%) of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.
"Significant Transaction or Arrangement"	implies any individual transaction or arrangement that exceeds or is likely to exceed ten percent (10%) 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"	shall mean as defined under the Companies Act, 2013 Act and the Rules made thereunder.

Any other term not defined herein shall have the same meaning as defined in the Companies

Act, 2013, SEBI LODR, Securities Contract (Regulation) Act, 1956 or any other applicable law or regulation and amendments thereto.

4. INDEPENDENT DIRECTOR OF THE COMPANY ON THE BOARD OF UNLISTED MATERIALSUBSIDIARY

At least one Independent Director on the Board of the Company shall be a director on the board of the Unlisted Material Subsidiary, whether incorporated in India or not.

For the purpose of compliance with the above, the term "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

5. RESTRICTION ON DISPOSAL OF SHARES OF MATERIAL SUBSIDIARY BY THE COMPANY

The Company shall not dispose off shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent (50%) or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in such cases where divestment is 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 ('Insolvency Code') and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

6. RESTRICTION ON DISPOSAL OF ASSETS OF MATERIAL SUBSIDIARY

Selling, disposing and leasing of assets amounting to more than twenty percent (20%) of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders of the Company 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 Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

7. SECRETARIAL AUDIT

The Company and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex a secretarial audit report, given by a company secretary in practice, in such form as may be specified under the Companies Act, 2013 with the annual report of the listed entity.

8. OTHER COMPLIANCES IN RESPECT OF UNLISTED SUBSIDIARIES WHETHER MATERIAL OR NOT

a. SIGNIFICANT TRANSACTIONS / ARRANGEMENTS

The management should periodically bring to the attention of the Board a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary company.

b. FINANCIAL STATEMENTS

The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the Unlisted Subsidiary Companies of the Company.

c. MINUTES OF UNLISTED SUBSIDIARIES

The minutes of the Meetings of the Board of Directors of the Unlisted Subsidiary Companies of the Company shall be placed at the Meeting of the Board of Directors the Company.

9. DISCLOSURES

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

10. REVIEW OF THE POLICY

This Policy shall be subject to review as may be deemed necessary as per any regulatory amendments.