

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

INTRODUCTION

The Board of Directors of Uravi T and Wedge Lamps Limited has adopted the following policy and procedures with regard to the determination of Material Subsidiaries.

TITLE

This Policy shall be called 'Policy for determining material subsidiaries'.

OBJECTIVE

The objective of the Policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

The Policy is framed in accordance with the requirements of SEBI ((Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter referred to as "SEBI (LODR) Regulations" including any amendments thereof from time to time.

DEFINITIONS

"Audit Committee or Committee" means Committee constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof.

"Board of Directors" or "Board" means the Board of Directors of Uravi T and Wedge Lamps Limited, as constituted from time to time.

"Company" means Uravi T and Wedge Lamps Limited.

"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 (LODR) Regulations.

"Policy" means this Policy, as amended from time to time.

"Significant Transaction or Arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the

- a. total revenues; or
- b. total expenses; or

- c. total assets; or
- d. total liabilities; as the case may be, of the Unlisted Subsidiary for the immediately preceding accounting year.

“Subsidiary” shall mean a subsidiary as defined under the Act and Rules made thereunder.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI LODR Regulations, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

POLICY

A subsidiary shall be considered as Material if-

The income or net worth of such subsidiary exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

A list of such Material subsidiaries shall be presented to the Audit Committee annually for its noting.

The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.

The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board Meeting of the Company.

The management of an unlisted subsidiary shall periodically bring to the attention notice of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary company.

The Company and its unlisted material subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified, from time to time.

REQUIREMENT REGARDING MATERIAL SUBSIDIARY

The Company, without passing a special resolution in its General Meeting, shall not:-

- dispose shares in the material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50%
or

- dispose shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- sell, 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,

unless in cases where the divestment/ 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.

REQUIREMENT REGARDING UNLISTED MATERIAL SUBSIDIARY

At least one Independent Director on the Board of the Company shall be a Director on the Board of the material non-listed subsidiary whether incorporated in India or not.

The criteria for determining material subsidiary shall be as per SEBI (LODR) Regulations updated from time to time.

For the purpose of this clause, the term “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.

AMENDMENTS

The Board may, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, based on the recommendations of the Audit Committee.

The Board may also establish further rules and procedures, from time to time, to give effect to this Policy and to ensure governance of material subsidiary companies.

SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and SEBI LODR Regulations / Companies Act, 2013 or any other statutory enactments, rules, or statutory enactments, rules shall prevail over this Policy.

DISSEMINATION OF POLICY

This policy shall be hosted on the intra-net and website of the Company and a web link thereto shall be provided in the annual report of the Company.

REVIEW OF THE POLICY

The Audit Committee may monitor and review the Policy at such intervals as may be identified by the Board of Directors and recommend the necessary changes to the Board for its approval.

EFFECTIVE DATE

This policy was first approved by the Board of Directors on _____.
