

## **POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

### **INTRODUCTION:**

The Board of Directors of Tulive Developers Limited has adopted the following policy and procedures with regard to 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 the Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") (including any amendments thereof).

### **DEFINITIONS:**

"**Board of Directors**" or "**Board**" means the Board of Directors of Tulive Developers Limited, as constituted from time to time.

"**Company**" means Tulive Developers Limited.

"**Independent Director**" means a director of the Company, who satisfies criteria for independence under the Companies Act, 2013 and LODR.

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

"**Subsidiary**" shall mean a subsidiary as defined under the Companies Act, 2013 and Rules made thereunder.

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

### **POLICY:**

A subsidiary shall be considered as **Material** if-

- the subsidiary whose networth exceeds twenty per cent of the consolidated net worth of the Company during the previous financial year.; or
- the subsidiary whose income exceeds twenty per cent of the consolidated income of the Company during the previous financial year.

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

noting.

#### **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 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.

#### **REQUIREMENT REGARDING MATERIAL UNLISTED INDIAN SUBSIDIARY:**

At least one Independent Director on the Board of the Company shall be a Director on the Board of the material unlisted Indian subsidiary company.

The audit committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.

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.

The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the Company, a statement of all 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 material subsidiary for the immediately preceding accounting year entered into by the unlisted subsidiary

#### **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 LODR / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such LODR / Companies Act, 2013 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.