

POLICY FOR
DETERMINING
‘MATERIAL SUBSIDIARY’

Policy for Determining ‘Material’ Subsidiaries

1. Title

This Policy shall be called “Policy for Determining Material Subsidiaries” of Beezaasan Explotech Limited.

2. Objective

The objective of this Policy is to determine material subsidiaries of the Company and to provide the governance framework for such subsidiaries, in compliance with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Definitions

3.1 Act

“Act” means the Companies Act, 2013 and rules made thereunder.

3.2 Board

“Board” means the Board of Directors of Beezaasan Explotech Limited.

3.3 Independent Director

Independent Director means a director satisfying the criteria of independence as prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.4 Subsidiary

“Subsidiary” shall mean a subsidiary as defined under Section 2(87) of the Companies Act, 2013.

3.5 Material Subsidiary

A subsidiary shall be considered material if:

- its income exceeds 10% of the consolidated income of the Company and its subsidiaries in the immediately preceding accounting year; or
- its net worth exceeds 10% of the consolidated net worth of the Company and its subsidiaries in the immediately preceding accounting year.

4. Governance Framework for Material Subsidiaries

4.1 Independent Director

At least one Independent Director of the Company shall be a director on the board of an unlisted material subsidiary, whether incorporated in India or outside India.

4.2 Audit Committee Review

The Audit Committee of the Company shall review the financial statements, particularly the investments made by the unlisted subsidiary.

4.3 Minutes of Board Meetings

The minutes of the board meetings of the unlisted subsidiary shall be placed before the Board of the Company.

4.4 Significant Transactions

The management shall periodically bring to the attention of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

A significant transaction or arrangement shall mean any transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities of the unlisted subsidiary for the immediately preceding accounting year.

5. Disposal of Shares of Material Subsidiary

The Company shall not dispose of shares in its material subsidiary which would reduce its shareholding to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a court or tribunal.

6. Disposal of Assets of Material Subsidiary

Selling, disposing, or leasing of assets amounting to more than 20% of the assets of the material subsidiary during a financial year shall require prior approval of shareholders by way of special resolution.

7. Disclosure

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

8. Review of Policy

The Board of Directors may review and amend this Policy from time to time in accordance with applicable laws and regulatory requirements.