

# USHDEV INTERNATIONAL LIMITED

CIN: L40102MH1994PLC078468

## POLICY FOR DETERMINING "MATERIAL" SUBSIDIARIES

### **1. PHILOSOPHY**

This policy is called "USHDEV INTERNATIONAL LIMITED – POLICY FOR DETERMINING "MATERIAL" SUBSIDIARIES. (hereinafter referred to as "this Policy")

This policy intends to comply with the requirements of Clause 49 of the Listing Agreement to determine material subsidiaries of the Company.

Ushdev International Limited (hereinafter referred to as "the Company") has investments in subsidiaries. This Policy shall apply for determining a material subsidiary of the Company.

The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all applicable laws and regulations, as may be amended from time to time.

### **2. MEANING OF TERMS USED**

a. "**Act**" means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time.

b. "**Audit Committee**" shall mean the Audit Committee of the Board of Directors or such other Committee as may be approved by the Board of Directors, from time to time, under the provisions of the Act and Listing Agreement.

c. "**Board**" refers to the Board of Directors of Ushdev International Limited

d. "**Company**" or "**UIL**" refers to Ushdev International Limited pursuant to this policy, having its Registered Office at New Harileela House, , 6<sup>th</sup> Floor, Mint Road, Mumbai 400 001

e. "**Material Non-Listed Indian Subsidiary**" shall mean a Un-Listed Subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

f. "**Significant Transaction or Arrangement**" shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the Material Un-Listed Subsidiary for the immediately preceding accounting year.

g. "**Subsidiary(s)**" shall mean subsidiaries of the Company as defined under the Act.

Words, terms and expressions used and not defined in these rules or Listing Agreement but defined in the Act shall have the same meaning respectively assigned to them in the Act.

### **3. POLICY AND PROCEDURES**

I. The Company shall consider a subsidiary as a material subsidiary if it satisfies any of the following criteria:

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a. the investment of the Company in the Subsidiary exceeds twenty per cent (20%) of its consolidated net worth as per the audited balance sheet of the previous financial year; or

b. the Subsidiary has generated twenty per cent (20%) of the consolidated income of the Company during the previous financial year.

II. The Board shall appoint one of the Independent Director of the Company as a Director on the board of directors of the Material Non-Listed Indian Subsidiary.

III. The Company shall follow such governance procedures in relation to Material Subsidiaries as may be outlined in the Listing Agreement and the Act from time to time.

IV. The Company shall not

a. dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than fifty percent (50%)/ 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/Tribunal; or

b. sell, dispose and/or lease assets amounting to more than twenty percent (20%) of the assets of the Material Subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

V. The Management of the Company shall monitor and ensure that as and when any of the subsidiary is determined as a Material Subsidiary the same shall be intimated to the Audit Committee. The Audit Committee shall review the same and make suitable recommendations to the Board to ensure compliance with the Listing Agreement in this regard.

In case of (a), monitoring shall be done as and when an investment is made in any of the Subsidiary(s). And in case of (b), monitoring shall be done at the time of finalizing the consolidated audited accounts.

This Policy may be amended by the Board from time to time to be in line with any amendments made to the Listing Agreement, the Act and such other guidelines issued by SEBI.