

MEERA INDUSTRIES LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

1. Introduction

The Board of Directors of Meera Industries Limited has adopted the following policy and procedures with regard to determination of Material Subsidiaries as per regulation 16(1)(C) of SEBI (LODR), Regulations, 2015 with effect from April, 2019. The Policy shall be called “Policy for determining Material Subsidiaries” (Policy).

2. Objective

The objective of the Policy is to determine material subsidiaries of the Company and intended to ensure governance of the company’s material subsidiaries. In determining whether or not a subsidiary of the Company is or has become a material subsidiary, the Company shall be guided by and follow this Policy and the applicable provisions of the LODR Regulations.

The Company is required to disclose this policy on its website.

3. Definitions:

“**Act**” means the Companies Act 2013 including any statutory modification or re-enactment thereof.

“**Audit Committee**” means the committee constituted by the Board of Directors of the Company, from time to time, in accordance with section 177 of the Companies Act 2013 and Regulation 18 of the LODR Regulations.

“**Board of Directors**” or “**Board**” means the Board of Directors of Meera Industries Limited, as constituted from time to time.

“**Company**” means Meera Industries Limited.

“**Independent Director**” means an Independent Director who satisfies the criteria of Independence under Section 2(47) of the Companies Act, 2013 read with LODR Regulations, as amended from time to time.

“**Holding Company**” means Holding Company as defined under Section 2(46) of the Act.

“**Policy**” means “Policy for determining Material Subsidiaries” (Policy) as may be amended from time.

"Subsidiary" means a subsidiary as defined under the Act and Rules made there under.

"Material Subsidiary" shall have the meaning as defined in Regulation 16(1)(c) of the LODR Regulations as amended, pursuant to which a material subsidiary means a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

"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 unlisted subsidiary for the immediately preceding accounting year.

"Unlisted Subsidiary" means subsidiary of the Company whose securities are not listed on any Stock Exchange(s) in India provided that where this term is defined (whether by way of definition, clarification or explanation) under the LODR Regulations, it shall have the meaning as per such definition.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI (LODR) Regulations, 2015, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation as amended.

4. GOVERNANCE FRAMEWORK

1. The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary company (including the unlisted material subsidiary).
2. At least one Independent Director on the Board of Directors of the Company shall be a Director on the Board of Directors of the unlisted material subsidiary, whether incorporated in India or not.
3. The minutes of the meetings of the Board of Directors of the unlisted subsidiary (including the unlisted material subsidiary) shall be placed at the meeting of the Board of Directors of the Company.
4. The management of the unlisted subsidiary shall periodically bring to the notice of the Board of Directors of the Company, a statement of all significant transactions or arrangements entered into by the unlisted subsidiary (including the unlisted material subsidiary).
5. Every Company and its material unlisted 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, with effect from the year ended March 31, 2019.

5. DISPOSAL OF SHARES/ASSETS 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 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.

6. AMENDMENTS

The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Board reserves the right to amend this Policy from time to time based on changing requirements as prescribed by SEBI/Stock Exchange(s) or any other appropriate Statutory Authority.

7. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the 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.

8. Disclosure of the Policy

This policy shall be uploaded on the Company's website for public information and a web link for the same shall also be provided in the Annual Report of the Company.

9. Review

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board, and make revisions as may be required.
