

**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES  
OF  
SHREEJI TRANSLOGISTICS LIMITED**

**(1) INTRODUCTION:**

The Board of Directors (“Board”) of Shreeji Translogistics Limited (“Company”) has adopted the following policy and procedures with regard to determination of “Material Subsidiaries” in accordance with the provisions of Regulation 16(1)(c) and Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “SEBI Listing Regulations”).

**(2) DEFINITIONS :**

- 2.1 “**Act**” means Companies Act, 2013 including any statutory modification or any re-enactment thereof;
- 2.2 “**Board**” or “**Board of Directors**” shall mean the Board of Directors of the Company.
- 2.3 “**Listing Regulations**” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.4 “**Audit Committee**” means the Audit Committee of the Board constituted from time to time under the Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013
- 2.5 “**Independent Director**” means a non-executive director, other than a nominee director of the Company and who satisfies other criteria for independence under the Act and the Listing Regulations.
- 2.6 “**Unlisted Subsidiary**” shall mean a subsidiary, whose shares are not listed on any Stock Exchanges.
- 2.7 “**Significant transaction or arrangement**” shall mean any 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 subsidiary for the immediately preceding accounting year.

### **(3) POLICY :**

#### **➤ MATERIAL SUBSIDIARY**

A subsidiary shall be considered as Material if its income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

#### **➤ REQUIREMENT REGARDING MATERIAL SUBSIDIARY:**

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

- (i) 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
- (ii) dispose shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- (iii) 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.

#### **➤ ADDITIONAL REQUIREMENT FOR MATERIAL UNLISTED SUBSIDIARY:**

- (i) At least one Independent Director on the Board of Directors of the Company shall be a Director on the Board of Directors of Material Unlisted Subsidiary, whether incorporated in India or not.

For the purposes of this requirement, “Material Subsidiary” shall mean a Subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

➤ **REQUIREMENT FOR UNLISTED SUBSIDIARY:**

- (i) The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the Unlisted Subsidiary.
- (ii) The minutes of the Board Meetings of the Unlisted Subsidiary shall be placed at the Board Meeting of the Company.
- (iii) 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 and arrangements entered into by the Unlisted Subsidiary Company.

**(4) 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.

**(5) LIMITATIONS:**

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy.

## REVISION HISTORY

<b>Sr. No.</b>	<b>Date of adoption &amp; subsequent modifications</b>	<b>Approved by</b>
1.	10/02/2022	Board of Directors