



Vipul
VIPUL LIMITED

Policy- Material Subsidiaries

This revised policy effective from May 30, 2016

This policy is originally framed based on erstwhile Listing Agreement entered by the Company with the Stock Exchanges and primarily intended to ensure the determination of Material Subsidiaries. The Board has revised the said policy in line with norms laid under SEBI (LODR) Regulations, 2015.

This policy is to regulate transactions pertaining to its Material Subsidiaries based on the applicable laws and regulations applicable to the Company.

The Company is required to disclose the policy on its website and a web link thereto shall be provided in the Annual Report.

DEFINITIONS

“Act” means Companies Act, 2013 & rules made thereunder.

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

“Subsidiary Company” as defined under Section 2(87) of the Act.

“Material Subsidiary” as per 16(1)(c) of SEBI(LODR) Regulations, 2015 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.

Corporate Governance with respect to subsidiary of listed entity

A statement of all significant transactions and agreements entered into by the material unlisted subsidiary company shall be periodically informed to the Board of Directors of the Company.

At least one independent director on the Board of Directors of the company shall be a director on the Board of Directors of unlisted material subsidiary incorporated in India.

The minutes of the meetings of Board of Directorsof the unlisted subsidiary shall be placed at the meeting of the Board of Directorsof the listed entity

”Significant transaction or arrangement” shall mean any individual transaction or arrangement that exceeds or 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.

The Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either in its own or together with other subsidiaries) to less than fifty percent 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/tribunal

Selling, disposing and leasing of assets amounting to more than 20% of the assets of the **material subsidiary** on an aggregate basis during a Financial Year shall require 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.

The Company does not have anyListed Subsidiary.