

MBL INFRASTRUCTURE LTD.

POLICY FOR DETERMINING MATERIAL
SUBSIDIARY COMPANY

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1. BACKGROUND AND REQUIREMENT OF POLICY

In terms of the requirement of SEBI (LODR), Regulations, 2015 as amended from time to time, the Board of Directors in its meeting held on 14/02/2019, MBL Infrastructure has formulated a policy for determining material subsidiary.

2. TITLE

This Policy shall be called 'Policy for determining material subsidiaries'.

3. POLICY OBJECTIVE

To determine the Material Subsidiaries of MBL Infrastructure Limited and to provide the governance framework for such subsidiaries.

4. DEFINITIONS

"Board of Director" or "Board" means the Board of Directors of MBL Infrastructure Limited, as constituted from time to time.

"Company" means MBL Infrastructure Limited.

"Independent Director" means a director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies criteria for independence under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

"Policy" means this Policy, as amended from time to time.

"Subsidiary" shall mean a subsidiary as defined under the Companies Act, 2013 and the Rules made thereunder.

"Material Subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively, of MBL and its subsidiaries in the immediately preceding accounting year.

5. EFFECTIVE DATE

The policy will be effective from 01/04/2019 and shall supersede the earlier policy approved by the Board from that date.

6. POLICY / REQUIREMENTS REGARDING MATERIAL SUBSIDIARY

A subsidiary shall be a Material Subsidiary, whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively, of MBL and its subsidiaries in the immediately preceding accounting year.

A list of such Material subsidiary company shall be placed to the Audit Committee annually for its noting.

7. DISPOSAL OF MATERIAL SUBSIDIARY

The Company, without the prior approval of the members by Special Resolution, shall not:

- (a) Dispose shares in Material Subsidiaries that reduces its shareholding (either on its own or together with other subsidiaries) to less than 50%; or
- (b) Ceases the exercise of control over the Subsidiary; or
- (c) Sell, dispose or lease the assets amounting to more than twenty percent of the assets of the material subsidiary on aggregate basis during financial year.

8. ADDITIONAL REQUIREMENT REGARDING MATERIAL NON-LISTED INDIAN SUBSIDIARY

- (a) At least one Independent Director on the Board of the MBL shall be a Director on the Board of the material subsidiary company, whether incorporated in India or not.
- (b) Every material Subsidiary incorporated in India shall undertake Secretarial audit and shall annex with its report, given by a company secretary in practice, in the form prescribed under Companies Act, 2013.

9. DISCLOSURES

The Policy for determining material subsidiaries shall be disclosed on the website of the Company at www.mblinfra.com and a weblink shall be provided in the Annual Report of the Company, as per the provisions of laws in force.

