

TCPL Packaging Limited

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Policy for Determining Material Subsidiaries

1. PURPOSE OF POLICY:

The purpose of this Policy is determination of Material Subsidiaries and disclosure thereof as required under Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Regulation 46(2)(h) of the Listing Regulations.

The Policy is approved by the Board of Directors of the Company at its Board Meeting held on 25th May 2022. The Board of Directors of the Company may amend this policy from time to time in line with such amendments to Listing Regulations.

2. OBJECTIVE OF THE POLICY:

The objective of this Policy is to determine:

- i) Meaning of Material Subsidiary;
- ii) Requirement of appointing Independent Director of the Company on the Board of unlisted Material Subsidiary
- iii) Restriction on disposal of shares of Material Subsidiary by the Company;
- iv) Restriction on Selling, Disposing and Leasing of assets of Material Subsidiary;
- v) Secretarial Audit of Material unlisted subsidiaries and
- vi) Disclosure requirements, under the Listing Regulations and any other laws and regulations as may be applicable to the Company.

3. DEFINITIONS:

- a) "Company" means TCPL Packaging Limited.
- b) "Board" or "Board of Directors" shall mean the Board of Directors of the Company.
- c) "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder agreements or voting agreements or in any other manner; provided that a Director or officer of a target company shall not be considered to be in control over such target company, merely by virtue of holding such position.
- d) "Independent Director" implies a director other than a managing director or a whole-time director or a nominee director and who satisfies other criteria for independence mentioned in the Companies Act, 2013 and the Listing Regulations
- e) "Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- f) "Material Subsidiary" means a subsidiary whose income or net worth exceeds ten percent of the consolidated income or net worth, respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.
- g) "Material Unlisted Subsidiary" means an unlisted Material Subsidiary.
- h) "Subsidiary" shall have the meaning given to it in the Companies Act, 2013 and Rules framed thereunder.

- i) "Policy" means this Policy for Determining Material Subsidiaries of the Company.
- j) "Significant Transaction and Arrangement" means 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.
- k) "Unlisted Subsidiary" means an unlisted Subsidiary of the Company.

All other words and expressions used but not defined in this policy, but defined in the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or Rules or Regulations or any statutory modification or re-enactment thereto, as the case may be.

4. INDEPENDENT DIRECTOR OF THE COMPANY ON THE BOARD OF UNLISTED MATERIALSUBSIDIARY

At least one Independent Director on the Board of the Company shall be a director on the board of the Unlisted Material Subsidiary, whether incorporated in India or not.

For the purpose of compliance with the above, the term "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

5. SIGNIFICANT TRANSACTIONS / ARRANGEMENTS OF UNLISTED SUBSIDIARY COMPANIES

The management should periodically bring to the attention of the Board a statement of all Significant Transactions and Arrangements entered into by the Unlisted Subsidiary in the format similar to the format prescribed in the relevant accounting standards for the purpose of disclosure of related party transactions on a consolidated basis

6. RESTRICTION ON DISPOSAL OF SHARES OF MATERIAL SUBSIDIARY BY THE COMPANY

The Company shall not 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%) or cease the exercise of control over the subsidiary without passing a special resolution in a general meeting of its shareholders except in cases where such divestment is made under a scheme of arrangement duly approved by a court/tribunal

7. RESTRICTION ON DISPOSAL OF ASSETS OF MATERIAL SUBSIDIARY

Selling, disposing and leasing of assets amounting to more than ten percent (10%) of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders of the Company by way of special resolution unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a court/tribunal

8. SECRETARIAL AUDIT

Every Material Unlisted Subsidiary of the Company incorporated in India undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified.

9. REVIEW THE LIST OF MATERIAL SUBSIDIARIES

The Management shall present to the Audit Committee annually, the list of the subsidiaries of the Company, together with the details of the materiality defined herein

and the Audit Committee shall review the same and make suitable recommendations to the Board.

10. OTHER PROVISION RELATED TO UNLISTED SUBSIDIARY/ MATERIAL UNLISTED SUBSIDIARY

a) FINANCIAL STATEMENTS

The Audit Committee of the holding company shall also review the financial statements, in particular, the investments made by the Unlisted Subsidiary.

b) MINUTES OF UNLISTED SUBSIDIARIES

The minutes of the Board meetings of the Unlisted Subsidiary shall be placed at the Board meeting of the Company.

c) DISCLOSURES

The management of the Company shall annually present to the Board the list of Material Subsidiaries. As prescribed by Regulation 46(2)(h) of the Listing Regulations, this Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the annual report.

11. REVIEW OF THE POLICY

This Policy shall be subject to review as may be deemed necessary as per any regulatory amendments.
