

# Policy For Determining 'Material' Subsidiary Companies

## PURPOSE OF THE POLICY

The policy for determining 'material' subsidiary companies ("the Policy") has been framed in accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The policy will be used to determine the Material subsidiaries of the Company and to provide the governance framework for such subsidiaries.

## OBJECTIVE OF THE POLICY

The objective of this Policy is to determine (a) meaning of Material Subsidiary (b) requirement of appointing an Independent Director of the Company on the Board of Unlisted Material Subsidiaries (c) Restriction on disposal of shares of Material Subsidiaries by the Company (d) Restriction on Selling, Disposing and Leasing of assets of Material Subsidiary (e) Secretarial Audit of Material unlisted subsidiaries and (f) Disclosure requirements, under the Listing Regulations and any other laws and regulations as may be applicable to the Company .

## DEFINITIONS

"Board" implies Board of Directors of the Company

"Company" means Tata Realty and Infrastructure Limited

"Material Subsidiary" Unless specified otherwise, a 'Material Subsidiary' shall mean a subsidiary, whose turnover 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.

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

All the words and expressions used in this policy, unless defined hereafter, shall have the meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies At, 2013, and the Rules, Notifications, and Circulars made/issued thereunder, as amended from time to time.

## 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 turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

## **RESTRICTION ON DISPOSAL OF SHARES OF MATERIAL SUBSIDIARY BY THE COMPANY**

The Company shall not dispose off 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 its General Meeting except in such cases where divestment is 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.

## **RESTRICTION ON DISPOSAL OF ASSETS OF MATERIAL SUBSIDIARY**

Selling, disposing and leasing of assets amounting to more than twenty percent (20%) 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, or under a resolution plan duly approved under section 31 of the Insolvency and Bankruptcy Code, 2016 ('Insolvency Code') and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

## **SECRETARIAL AUDIT**

Every Material Unlisted Subsidiary of the Company incorporated in India shall undertake secretarial audit by Secretarial Auditor, who shall be a peer reviewed Company Secretary 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.

## **REVIEW OF 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.

## **POLICY REVIEW**

The Board of Directors may amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## **COMPLIANCE RESPONSIBILITY AND APPLICABILITY**

Compliance of this Policy shall be the responsibility of the Compliance Officer/Chief Financial Officer of the Company who shall have the power to ask for any information or clarifications from the Management in this regard.

As the Company is a High Value Debt Listed Entity, Regulation 23 of the Listed Regulations is applicable to the Company on comply or explain basis till March 31, 2025 and mandatory thereafter.

Hence, for the purpose of Listing Regulations, the mandatory compliance of this Policy shall become effective from the date mentioned by SEBI, from time to time.

## **DISCLOSURE**

This Policy on determining Material Subsidiaries shall be disclosed on the Company's website and a web link thereto shall be provided in its Annual Report.

## **VERSION HISTORY**

Version	Approved by	Approval Date	Effective Date	Section Modified
00	Board	10-May-2022	As mentioned by SEBI from time to time	Adoption
01	Board	31-Jan-2025	31-Jan-2025	All