

# SHRI VASUPRADA PLANTATIONS LIMITED

(Formerly : Joonktollee Tea & Industries Limited)

CIN : L01132WB1900PLC000292

## POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

### 1. INTRODUCTION

The Board of Directors (the "Board") of Shri Vasuprada plantations Limited (the "Company") has adopted the following policy and procedures with regard to determination of Material Subsidiaries, as defined in this Policy below.

### 2. OBJECTIVE

The objective of the Policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

The Policy is framed in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") [including any amendments thereof].

### 3. DEFINITIONS

- 3.1 "Act" means Companies Act, 2013 & rules made there under.
- 3.2 "Audit Committee" or "Committee" means Audit Committee constituted by the Board of Directors of the Company, from time to time, under provisions of section 177 of the Companies Act, 2013 and Listing Agreement with the Stock Exchanges.
- 3.3 "Board of Director" or "Board" means the Board of Directors of Shri Vasuprada Plantations Limited, as constituted from time to time.
- 3.4 "Company" means Shri Vasuprada Plantations Limited
- 3.5 "Independent Director" means a director of the Company who satisfies the criteria for independence under Section 149 of Companies Act, 2013 and the Listing Regulations.
- 3.6 "Subsidiary Company" shall mean a subsidiary as defined under Section 2(87) of the Companies Act, 2013 and rules related thereto.

- 3.7 "Material Subsidiary" - A subsidiary shall be considered as material if 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, as defined under Regulation 16(1)(c) of SEBI(LODR) Regulations 2015.
- 3.8 "Significant transaction or arrangement" shall mean 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 material unlisted subsidiary for the immediately preceding financial year.

#### 4. IDENTIFICATION OF 'MATERIAL' SUBSIDIARY

A subsidiary shall be considered as material if -

- 4.1 The investment of the Company, whether current or prospective, in the subsidiary exceeds 10 percent of its consolidated net worth as per the audited balance sheet of the previous accounting year or,
- 4.2 If the subsidiary has generated 10 percent of the consolidated income of the Company during the previous accounting year.

#### 5. GOVERNANCE FRAMEWORK

- 5.1 The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- 5.2 The minutes of the Board Meetings of the Unlisted Subsidiary Companies shall be placed before the Board of the Company.
- 5.3 The management shall periodically bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary company.
- 5.4 At least one Independent Director on the Board of the Company shall be a Director on the Board of the unlisted material subsidiary company, whether incorporated in India or not.

For the purpose of this clause, the term "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

## DISPOSAL OF MATERIAL SUBSIDIARY

6.1 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 50 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, 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.

6.2 Selling, disposing and leasing of assets amounting to more than 20 percent 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 , or under a resolution plan duly approved under section 31 of the Insolvency Code and such an even is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

## 7. DISCLOSURE

- 7.1 This Policy shall be disclosed on the Company's website at [www.svpl.in](http://www.svpl.in)
- 7.2 Web link thereto shall be provided in the Annual Report of the Company.

## 8. AMENDMENT AND UPDATATIONS

- 8.1 The Board shall have the power, subject to applicable laws, to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. The Company Secretary being the Compliance Officer is also authorized to make amendment in this policy, where there is any statutory changes necessitating the amendment in the policy.
- 8.2 The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

## 9. REVIEW OF THE POLICY

This policy shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments.