



REDINGTON LIMITED
Policy for determining Material Subsidiaries

Policy approved by : Board of Directors
Date of approval of current version : February 5, 2025

Introduction and scope:

The Board of Directors of Redington Limited (the Company) have adopted this policy for determining material subsidiaries of the Company in accordance with Regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR Regulations)") and its amendments thereto.

The objective of this Policy is to ensure compliance with regulatory requirements and establish a framework for identifying material subsidiaries for governance, oversight, and disclosure purposes

This Policy sets out criteria for determination of material subsidiaries and provides governance framework for such subsidiaries.

Definitions:

- (a) "Audit Committee"** means the audit committee constituted by the Board of the Company from time to time as required in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI (LODR) Regulations, 2015 the Audit Committee of Board of Directors of the Company.
- (b) "Board"** means the Board of Directors of the Company;
- (c) "Material Subsidiary" means** a subsidiary, whose turnover or net worth (as per Companies Act, 2013) exceeds 10% of the consolidated turnover or net worth, respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- (d) "Subsidiary"** means a company as defined under Section 2(87) of the Companies Act, 2013 and the Rules thereunder from time to time;
- (e) "Policy"** means this Policy for determining Material Subsidiary.
- (f) "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 other criteria for independence under the Companies Act, 2013 and the Listing Regulations.

Governance Framework

- (i) At least one Independent Director on the Board of the Company shall be a Director on the Board of Directors of unlisted Material Subsidiaries, whether incorporated in India or not.

For the purpose of this clause, the term "Material Subsidiary" shall mean a subsidiary

listed or unlisted, Indian or foreign, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

- (ii) The Audit Committee shall periodically review the financial statements of subsidiaries, in particular, the investments made by unlisted subsidiaries.

The minutes of the meetings of the Board of Directors of unlisted subsidiaries shall be placed at the meeting of the Board of Directors of the Company.

- (iii) The management of the unlisted subsidiaries shall periodically bring to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements* entered into by such subsidiaries.

*Significant transactions and arrangements mean any individual transaction or arrangement that exceeds or is 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 subsidiary for the immediately preceding accounting year.

- (iv) The Company can dispose of shares held in its material subsidiaries with the approval of the Board of Directors. However, if such sale/transfer results in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% or cease to exercise control over the subsidiary, the approval of shareholders through special resolution is required except in case 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.

The Company can sell, dispose of and lease assets of its material subsidiaries with the approval of the Board of Directors. However, if such sale, disposal and lease of assets exceeds 20% of the assets of the material subsidiary on an aggregate basis during a financial year, prior approval of shareholders through special resolution is required except in case where 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 event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved

Nothing contained in clause (vi) shall be applicable if such sale, disposal or lease of assets is between two wholly owned subsidiaries of the listed entity.

Where the Company has a listed subsidiary, which is itself a holding company, the provisions of this policy shall also apply to the listed subsidiary in so far as its subsidiaries

are concerned.

Every material subsidiary incorporated in India shall undertake secretarial audit as referred under Section 204 of the Act by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary, and the secretarial audit report shall be annexed with the annual report of the Company.

Disclosures

As prescribed under the SEBI (LODR) Regulations, 2015, the Company shall disclose the Policy on the Company's website and a web link thereto shall be provided in the Annual report of the Company. Further, a secretarial audit report issued by a practicing company secretary in relation to the material unlisted Subsidiaries, if any shall also be annexed in the Company's Annual Report.

Review of the Policy

This Policy shall be subject to review as may be deemed necessary or in accordance with any regulatory amendments, which affects the said policy.

Version 1 dated April 1, 2023

Version 2 dated May 16, 2023

Version 3 dated February 5, 2025