

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

TITLE:

This Policy shall be called 'Policy for determining Material Subsidiaries'.

COMMENCEMENT:

The reviewed Policy shall come into effect from 1st December 2019.

OBJECTIVE:

This Policy is framed in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof) to be effective from 1st December 2019 and is intended to ensure governance of material subsidiary companies.

DEFINITIONS:

- (a) "Board" means the Board of Directors of Suen Life Sciences Limited.
- (b) "Suen" or "Company" means Suen Life Sciences Limited.
- (c) "Policy" means this Policy, as amended from time to time.
- (d) Material Subsidiary - A subsidiary shall be considered as material if the investment of Suen in the subsidiary exceeds 10% of its consolidated net worth as per the audited balance sheet of the previous financial year or if the subsidiary has generated 10% of the consolidated income of Suen during the previous financial year.
- (e) Material Unlisted Subsidiary - means an unlisted subsidiary whether incorporated in India or not and whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of Suen and its subsidiaries in the immediately preceding accounting year.
- (f) Subsidiary Company – shall mean a company defined as a subsidiary company under the provisions of the Companies Act, 2013.

POLICY AND PROCEDURE:

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

2. The management of Suven shall present to the Audit Committee, on an annual basis, the list of Material Subsidiaries. The Audit Committee shall review the same and make suitable recommendations to the Board, including their recommendation for appointment of Independent Director(s) of Suven on the Board of the Material Unlisted Subsidiary.
3. The Company shall not, without the approval / prior approval of the members by special resolution, as may be required under the provisions of the LODR Regulations
 - (a). dispose shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50%; or
 - (b). cease the exercise of control over the Material Subsidiary; or
 - (c). Sell, dispose off or lease the assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during an accounting year; except in cases where such divestment, sale, disposal, lease, as the case may be, is made under a scheme of arrangement duly approved by the Court / Tribunal.

COMPLIANCE BY STEP DOWN SUBSIDIARIES

This policy will be applicable to all listed subsidiaries of Suven with respect to their subsidiaries.

DISCLOSURE

This “Policy on Determining Material Subsidiaries” shall be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report of the Company.

AMENDMENTS:

The Board shall have the power 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 in conformity with the applicable laws in force.

INTERPRETATION:

Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, Listing Regulations or any other relevant legislation / law applicable to the Company.