



POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Version Control

Version	Approval date	Approved by
1.0	06.05.2025	Board of Directors

INDEX

1. INTRODUCTION	2
2. EFFECTIVE DATE	2
3. SCOPE AND LIMITATION.....	2
4. OBJECTIVE OF THE POLICY	2
5. DEFINITIONS.....	2
6. GOVERNANCE FRAMEWORK WITH RESPECT TO THE SUBSIDIARY OF THE COMPANY	3
i. The Company shall consider a Subsidiary as a Material Subsidiary, as per the threshold defined in this Policy.	3
ii. The management shall present the list of subsidiaries together with the details of the materiality defined herein to the Audit Committee on annual basis. The Audit Committee shall review the same and make suitable recommendations to the Board.	3
7. GOVERNANCE REQUIREMENTS FOR UNLISTED SUBSIDIARIES:.....	3
i. The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.....	3
ii. The minutes of the meetings of the Board of Directors of the unlisted subsidiary shall be placed at the meeting of the Board of Directors of the Company.	3
iii. The Management of the unlisted subsidiary 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 the Unlisted Subsidiary Company.....	4
8. ADDITIONAL GOVERNANCE REQUIREMENTS-UNLISTED MATERIAL SUBSIDIARY:.....	4
i. Appointment of Independent Director:.....	4
ii. Restriction on disposal of shares of material subsidiary by the Company:.....	4
iii. Restriction on disposal of assets of material subsidiary by the Company:.....	4
9. DISCLOSURE	4
10. AMENDMENTS AND MODIFICATIONS IN THE POLICY	4



POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

1. INTRODUCTION

The Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**SEBI LODR Regulation**”) requires the companies listed on Stock Exchanges to frame a Policy for determining Material Subsidiary of the Company (“**Policy**”) and to provide governance framework for such subsidiaries.

Accordingly, in compliance with the aforesaid regulations, the Board of Directors (the “**Board**”) of Emmvee Photovoltaic Power Limited (“**the Company**”), has adopted this Policy for determination of Material Subsidiaries.

2. EFFECTIVE DATE

The Policy shall be effective from the date of listing of the equity shares of the Company on the stock exchange(s).

3. SCOPE AND LIMITATION

In the event of any conflict between this Policy and the SEBI LODR Regulations/ the Act or any other statutory enactments, rules, amendments, the extant provisions of the Act or SEBI LODR Regulations or any other applicable laws shall prevail over this Policy.

4. OBJECTIVE OF THE POLICY

This Policy has been framed to determine the Material Subsidiaries and Material Non-listed Indian Subsidiaries of the Company and to provide the governance framework for such Subsidiaries.

5. DEFINITIONS

“**Act**” means the Companies Act, 2013 and rules, notifications, circulars framed thereunder, as amended, from time to time.

“**Audit Committee**” or “**Committee**” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Act read with Regulation 18 of the SEBI LODR Regulations.

“**Board of Directors**” or “**Board**” means the Board of Directors of the Company, as constituted from time to time.

“**Company**” means Emmvee Photovoltaic Power Limited.

“**Control**” shall be as defined under Section 2(27) of the Act and the rules made thereunder.

“**Independent Director**” means Director of the Company, not being Whole-Time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies criteria for independence as laid down under Section 149 of the Act read with Schedule IV thereto and read with Regulation 16(b) of SEBI LODR.

“**Management**” means the Senior Management and Key Managerial Personnel (“**KMP**”) of the Company.



“Material Subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds ten percent (10%) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. However, for the purpose of Regulation 24 of SEBI LODR i.e., for the purpose of appointment of an independent director of a listed entity as a Director on the Board of an unlisted material subsidiary, whether incorporated in India or not, the term ‘material subsidiary’ shall mean a subsidiary whose turnover or net worth exceeds twenty percent (20%) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

“Material Non-listed Indian Subsidiary” shall mean an unlisted subsidiary, whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

“Net Worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the audited balance sheet, but does not include reserves created out of re-valuation of assets, write-back of depreciation and amalgamation

“Significant Transaction or Arrangement” as defined under Regulation 24(4) of the SEBI LODR Regulations 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 unlisted subsidiary for the immediately preceding accounting year.

“Subsidiary Company” or **“Subsidiary”** means subsidiary company as defined under Section 2(87) of the Act and the rules made thereunder.

Any other term not defined herein shall have same meaning as defined in the Act, the SEBI LODR Regulations, each as amended or any other applicable law or regulation in force.

6. GOVERNANCE FRAMEWORK WITH RESPECT TO THE SUBSIDIARY OF THE COMPANY

The Company, as and when it becomes a holding company, will be required to comply with the following:

- i. The Company shall consider a Subsidiary as a Material Subsidiary, as per the threshold defined in this Policy.
- ii. The management shall present the list of subsidiaries together with the details of the materiality defined herein to the Audit Committee on annual basis. The Audit Committee shall review the same and make suitable recommendations to the Board.

7. GOVERNANCE REQUIREMENTS FOR UNLISTED SUBSIDIARIES:

- i. The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.
- ii. The minutes of the meetings of the Board of the unlisted subsidiary shall be placed at the meeting of the Board of the Company.



- iii. The management of the unlisted subsidiary shall periodically bring to the notice of the Board of the Company, a statement of all Significant Transactions and Arrangements entered into by the Unlisted Subsidiary Company.

8. ADDITIONAL GOVERNANCE REQUIREMENTS-UNLISTED MATERIAL SUBSIDIARY:

i. Appointment of Independent Director:

At least one (01) Independent Director on the Board of the Company shall be a Director on the Board of an unlisted Material Subsidiary, whether incorporated in India or not.

ii. Restriction on disposal of shares of material subsidiary by the Company:

The Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% 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 Insolvency and Bankruptcy Code 2016 and such an event is disclosed to the recognized stock exchanges within one (1) day of the resolution plan being approved.

iii. Restriction on disposal of assets of material subsidiary by the Company:

Selling, disposing and leasing of assets amounting to more than 20% 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 and Bankruptcy Code 2016 and such an event is disclosed to the recognized Stock Exchanges within one day of the resolution plan being approved.

Further, this restriction shall not be applicable if such sale, disposal or lease of assets is between two wholly owned subsidiaries of the Company.

9. DISCLOSURE

This Policy shall be disclosed on the website of the Company in pursuance of Regulation 46(2) (h) of the SEBI LODR Regulations and a web link thereto shall be provided in the Annual Report of the Company.

10. AMENDMENTS AND MODIFICATIONS IN THE POLICY

The Board may, subject to applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the policy entirely with a new policy as it may deem necessary.

The Board may also establish further rules and procedures, from time to time, to give effect to this policy and to ensure governance of Material Subsidiary Companies.
