



BRIGADE HOTEL VENTURES LIMITED

POLICY FOR DETERMINATION DETERMINING MATERIAL SUBSIDIARY/ SUBSIDIARIES

Policy Ownership

Owner : Company Secretarial

Policy Change Log

Version	Issued on	Effective from
1	<i>October 5, 2024</i>	<i>October 5, 2024</i>

1) PREAMBLE

The Company has formulated the material subsidiary policy in accordance with the provisions of Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended from time to time.

2) SCOPE AND PURPOSE OF THE POLICY

This policy sets out the criteria for determining material subsidiary/ subsidiaries of the Company and to provide the governance framework for such subsidiaries.

3) DEFINITIONS

- a) "Act" shall mean the Companies Act, 2013 read with the relevant Rules framed thereunder and amended from time to time."
- b) "Audit Committee or the 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 Listing Regulations.
- c) "Board" shall mean the Board of Directors of the Company.
- d) "Company" shall mean Brigade Hotel Ventures Limited.
- e) "Material Subsidiary" means a subsidiary of the Company whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- f) "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 unlisted subsidiary for the immediately preceding accounting year.
- g) "Subsidiary" means a subsidiary as defined under Section 2(87) of the Companies Act, 2013 and the Rules framed thereunder.

4) GOVERNANCE FRAMEWORK

- a) The Audit Committee shall review the financial statements, in particular, the investments made by the subsidiary of the Company.
- b) The minutes of the Board meetings of the subsidiary company shall be placed at the Board meeting of the Company at regular intervals.
- c) The Board shall be provided periodically with a statement of all significant transactions and arrangements entered into by the subsidiary Company.

- d) At least one Independent Director of the Company shall be a director on the board of the unlisted material subsidiary whether incorporated in India or not.

Only for the purposes of this provision, notwithstanding anything to the contrary contained in Regulation 16 (1) (c), the term "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

- e) 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% 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 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.
- f) 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 Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
- g) A secretarial audit report issued by a practicing company secretary in relation to the material unlisted Subsidiaries shall also be annexed in the Company's Annual Report.

5) DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company and a web link thereto shall be provided in its Annual Report.

6) REVIEW

This policy will be reviewed periodically by the Board/ Committee as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors in cases of material changes to the Policy.

This Policy was approved by the Board on October 5, 2024.