

# POLICY ON MATERIAL SUBSIDIARY

**MINDPOOL TECHNOLOGIES LIMITED**

CIN: L72900PN2011PLC138607

3RD & 4TH, SR NO 133/1/316111 GK MALL NEAR KONKANE CHOWK, PIMPLE SAUDAGAR, PUNE MH 411027 IN

## **INTRODUCTION**

The Board of Directors of Mindpool Technologies limited (the company) have approved this policy for determining material subsidiary of the company in compliance with the SEBI (listing obligations and disclosures requirements) Regulations 2015 (regulation).

The Board of Directors (the “Board”) of the Company has adopted the policy and procedures for determining ‘material’ subsidiary companies (“Policy”) in accordance with the provisions of Regulation 16 1 (c) of the Listing Regulations.

## **APPLICABILITY OF THE POLICY**

The revised policy will become applicable and effective from 25<sup>th</sup> of May2022.

## **PURPOSE OF THE POLICY**

The company has framed a policy on material subsidiary company to determine its material subsidiary companies.

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and in the absence of its definition or explanation therein, as per the Companies Act, 2013 (“Act”) and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

## **DEFINITIONS**

“Subsidiary” shall be as defined under the Act and the rules made thereunder.

“Material Subsidiary” shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

“Audit Committee” means the committee constituted by the Board of Directors of the Company in accordance with section 177 of the Act and Regulation 18 of the Listing Regulations.

“Board of Directors” means the Board of Directors of the company.

## **DETERMINING FACTORS OF MATERIALITY**

The company shall refer to the above definition of material subsidiary as amended from time to time by the regulatory authorities in determining whether a subsidiary is a material subsidiary.

## **FREQUENCY OF MATERIALITY TEST**

The materiality test shall be applied every financial year as soon as the audited financial statements of the company are made available by the Auditor of the company.

## **REQUIREMENTS IN RELATION TO MATERIAL SUBSIDIARY COMPANY**

Following requirements shall be observed by the company in relation to a material subsidiary of the company:

1. The Audit Committee shall also review the financial statements, in particular, the investments made by the unlisted material subsidiary of the Company.
2. The management shall on yearly basis 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 material subsidiary company.
3. The listed entity 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.
4. Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the unlisted 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.

## **AMMENDMENT**

The Board of Directors may review or amend this policy, in whole or in part, from time to time.

## **DISCLOSURE OF THE POLICY**

This policy shall be uploaded on the website of the company at [www.mindpooltech.com](http://www.mindpooltech.com) and a web link thereto shall be provided in the annual report of the company subsidiary of the company or not.