



**WARDWIZARD FOODS AND BEVERAGES LIMITED
POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

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POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

1. Introduction:

The Board of directors ('the Board') of Wardwizard Foods and Beverages Limited (hereinafter referred as the "Company" or "WFBL" as the case may be) has adopted the following policy and procedures with regard to determination of "material" subsidiaries as defined below. The Board may review and amend this policy from time-to-time.

This policy is in terms of Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

2. Title:

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

3. Objective:

This Policy is framed, pursuant to Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), to ensure governance framework of material subsidiaries.

4. Definitions:

- 1) 'Act'** means Companies Act, 2013 (Act) and Rules made thereunder, including any amendments or modifications thereof.
- 2) 'Audit Committee or Committee'** means "Audit Committee" constituted by the Board of Directors of the Company, from time to time, under provisions of the SEBI Listing Regulations and Companies Act, 2013.
- 3) 'Board'** means the Board of Directors of Wardwizard Foods and Beverages Limited.
- 4) 'Company'** means Wardwizard Foods and Beverages Limited.
- 5) 'Holding Company'** in relation to one or more other companies, means a company of which such companies are subsidiary companies.
- 6) 'Independent Director'** means a director of the Company who is appointed as per SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013.
- 7) 'Policy'** means this Policy as amended from time to time.
- 8) 'Subsidiary'** shall mean a subsidiary as defined under Section 2(87) of the Companies Act, 2013 and Rules made thereunder.

- 9) **‘Material Subsidiary’** shall mean a 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.
- 10) **‘Unlisted Material Subsidiary’** means an unlisted subsidiary, incorporated in India or not, 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.
- 11) **‘Significant transaction or arrangement’** means 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 in the immediately preceding accounting year.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI Listing regulations, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

5. **Criteria for determining materiality of subsidiaries:**

A subsidiary of ‘WFBL’ shall be considered as 'material subsidiary' if the Turnover or net worth of the concerned subsidiary exceeds 10 percent of the consolidated Turnover or net worth respectively, of TCPCL and its subsidiaries, in the immediately preceding accounting year.

6. **Governance Framework:**

- 1) At least one 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.
- 2) The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary.
- 3) The minutes of the meetings of the Board of director of the unlisted subsidiary shall be placed at the meetings of the Board of director of the Company.
- 4) The management of the unlisted subsidiary shall periodically 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 subsidiary.

7. **Requirements regarding Material Subsidiary:**

The Company, without passing a special resolution in its General Meeting, shall not: -

- 1) Dispose shares in the material subsidiary which would reduce 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 material subsidiary or
- 2) Sell, dispose or lease the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year, unless in

cases where the divestment/ 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.

8. Scope and Limitation:

In the event of any conflict between the provisions of this Policy and the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules made thereunder and the Listing Regulations, the provisions of the Companies Act, 2013/Rules, SEBI Act/Rules and Listing Regulations shall prevail.

9. Interpretation:

Any words used in this policy but not defined herein shall have the same meaning as prescribed in the Companies Act, 2013 or Rules made thereunder, SEBI Act or rules and regulations made thereunder, or any other relevant legislation/law applicable to the Company. In case of any conflict between the law and the policy, the law shall prevail.

10. Dissemination of the Policy:

This Policy shall be hosted on the website of Wardwizard foods and Beverages Limited and a web-link thereto shall be provided in the Annual Report.

11. Amendments:

The Board reserves the right to amend, modify or review this Policy in whole or in part, at any point of time, as may be deemed necessary.

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