

PHOTON CAPITAL ADVISORS LIMITED

Policy for determining material subsidiary

INTRODUCTION:

The Board of Directors of Photon Capital Advisors Limited has adopted the following policy and procedures with regard to determination of Material Subsidiaries.

TITLE:

This Policy shall be called 'Policy for determining material subsidiaries'.

OBJECTIVE:

The objective of the Policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

The Policy is framed in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).

DEFINITIONS:

"Board of Directors" or "Board" means the Board of Directors of Photon Capital Advisors Limited, as constituted from time to time.

"Company" means Photon Capital Advisors Limited.

"Independent Director" means a director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

"Policy" means this Policy, as amended from time to time.

"Subsidiary" shall mean a subsidiary as defined under the Act and Rules made thereunder.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI (LODR) Regulations, 2015, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

POLICY:

A subsidiary shall be considered as material if the 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.

REQUIREMENT REGARDING MATERIAL SUBSIDIARY:

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

- ☐ dispose shares in the material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or
- ☐ dispose shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- ☐ sell, dispose or lease the assets amounting to more than 10% 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.

REQUIREMENT REGARDING MATERIAL SUBSIDIARY:

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.

For the purpose of compliance of this, Material subsidiary means 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.

AMENDMENTS:

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, based on the recommendations of the Audit Committee.

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.

SCOPE AND LIMITATION:

In the event of any conflict between the provisions of this Policy and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/ Companies Act, 2013 or any other statutory enactments, rules, the provisions of such SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/ Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.