



MAHINDRA LIFESPACE DEVELOPERS LIMITED

CIN: L45200MH1999PLC118949

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POLICY FOR DETERMINING MATERIAL SUBSIDIARIES (AS MODIFIED ON 28TH JANUARY, 2019)

INTRODUCTION

The Board of Directors of Mahindra Lifespace Developers 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 requirement of the Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") (including any amendments or re-enactment thereof).

DEFINITIONS

"Board of Directors" or **"Board"** means the Board of Directors of Mahindra Lifespace Developers Limited, as constituted from time to time.

"Company" means Mahindra Lifespace Developers 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.

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

"Subsidiary" shall mean a subsidiary as defined under the Companies Act, 2013 and Rules made thereunder.

All other words and expressions used but not defined in this policy, but defined in the LODR Regulations, SEBI Act, 1992, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

POLICY

A subsidiary shall be considered as **Material** if-

The Income or Net worth of that subsidiary exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year

A list of such Material subsidiaries shall be presented to the Audit Committee annually for its noting.

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
- cease the exercise of control over the subsidiary or
- 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, except in cases where the divestment / sale / disposal / lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

REQUIREMENT REGARDING UNLISTED MATERIAL SUBSIDIARY INCORPORATED IN INDIA OR OUTSIDE INDIA

At least one Independent Director on the Board of the Company shall be a Director on the Board of the unlisted material subsidiary company, incorporated in India or outside India.

Notwithstanding anything mentioned above, for the purpose of appointment of Independent Director of the Company on the board of unlisted material subsidiary, the term “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds twenty 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 LODR Regulations / SEBI Act, 1992 / the Securities Contracts (Regulation) Act, 1956 / the Depositories Act, 1996 / Companies Act, 2013 or the rules and regulations made thereunder the provisions of such Acts, rules and regulations or any statutory modification or re-enactment thereto shall prevail over this Policy.

DISSEMINATION OF POLICY

This policy shall be hosted on the intra-net and website of the Company and a web link thereto shall be provided in the annual report of the Company.
