



**UNIPARTS INDIA LIMITED**

**POLICY ON DETERMINING MATERIAL SUBSIDIARIES**



## 1. GENERAL:

In terms of Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“**Listing Regulations**”) a listed entity is required to formulate a policy for determining ‘material subsidiary’. Regulation 24 of the Listing Regulations mandates corporate governance requirements with respect to subsidiary of listed entity.

In pursuance of the above-mentioned requirements, the Board of Directors of Uniparts India Limited (“**Company**”) has formulated a policy for determining “material subsidiary” (“**Policy**”), based on recommendation of Audit Committee and adopted the Policy vide its Board meeting held on March 22, 2022. The Policy was last amended by the Board of Directors on March 25, 2025.

## 2. DEFINITIONS:

“**Act**” means the Companies Act, 2013 including any statutory modifications or re-enactment thereof.

“**Board of Directors**” or “**Board**” means the Board of Directors of Uniparts India Limited; as constituted from time to time.

“**Company**” means Uniparts India Limited.

“**Holding Company**”, in relation to one or more other Companies, means a Company of which such Companies are Subsidiary Companies.

“**Independent Director**” means a director appointed on the Board of the Company as Independent Director and who fulfils the required criteria under the Listing Regulations and Act as applicable from time to time.”

“**Subsidiary**” means Subsidiary Company as defined under Section 2(87) of the Act and the rules made there under.

“**Significant transactions or arrangement**” shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of total revenues or total expense or total assets or total liabilities, as the case maybe, of the material unlisted subsidiary for the immediately preceding accounting year.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, Listing Regulations or any other applicable laws or rules or regulation to the extent applicable to the Company.

## 3. CRITERIA FOR DETERMINING “MATERIAL SUBSIDIARY”:

A subsidiary of the Company shall be considered ‘Material’ if the turnover or net worth of the subsidiary exceeds 10% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

For the purpose of determining material subsidiaries for appointment of an independent director of the Company on the Board of Directors of such subsidiaries, the criterion of 20% of the consolidated turnover or net worth of the Company and its subsidiaries in the immediately preceding accounting year shall apply.

## 4. CORPORATE GOVERNANCE REQUIREMENTS WITH RESPECT TO SUBSIDIARIES:

- (i) At least one independent director on the Board of the Company shall be a director on the board of directors of an unlisted material subsidiary of the Company, whether incorporated in India or not. For this requirement, the term “material subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.



- (ii) The Audit Committee of the Company shall also review the financial statements, in particular the investments made by the unlisted Subsidiary;
- (iii) The minutes of the board meetings of unlisted Subsidiary shall be placed at the board meeting of the Company;
- (iv) 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;
- (v) 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 or equal to 50%, or cease the exercise of control over such Material Subsidiary, without passing a special resolution in its General Meeting, except in cases where such disinvestment is made under a scheme of arrangement duly approved by the 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.
- (vi) The Company shall not sell, dispose or lease assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during the financial year without prior approval of the shareholders by way of passing special resolution in its General Meeting, unless the sale/disposal/ lease 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:  
  
Nothing contained in this sub-clause shall be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company.
- (vii) Where the Company has a listed Material Subsidiary, which is itself a holding company, the Policy shall apply to the listed subsidiary in so far as its subsidiaries are concerned.
- (viii) All unlisted Material Subsidiaries incorporated in India shall undertake secretarial audit and annex secretarial audit report given by a company secretary in practice, in the prescribed format with the annual report of the Company.
- (ix) The Company shall disclose all events or information with respect to its Subsidiaries which are material for the Company as per Regulation 30(9) of the Listing Regulations.

## **5. DISCLOSURE:**

This Policy shall be placed on the Company's website [www.unipartsgroup.com](http://www.unipartsgroup.com) and a web link thereto shall be provided in the annual report of the Company.

## **6. REVIEW AND AMENDMENTS**

The Policy has been approved by the Board of Directors of the Company. The Board and/or Audit Committee may, as and when it deems appropriate, review this Policy. This Policy is being formulated keeping in mind the applicable laws, rules, regulations and standards in India. If there is an amendment in such laws, rules, regulations and standards, then this Policy shall be deemed to have been amended to the extent of such amendment. Conversely, if due to subsequent amendment in the statutory provisions, this Policy or any part hereof becomes inconsistent, such amended statutory provisions shall prevail and this Policy shall be deemed to be amended to that extent.

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