

## **POLICY FOR DETERMINING ‘MATERIAL’ SUBSIDIARIES**

### **1. Purpose and Scope**

The policy for determining ‘material’ subsidiary companies has been framed in accordance with the provisions of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Accordingly, policy for determining ‘material’ subsidiary (“Policy”) sets out the criteria for determination of material subsidiary of the Manba Finance Limited (“Company”).

### **2. Definition**

In this Policy, unless there is anything repugnant to the subject or context thereof, the capitalised terms listed below shall have the following meanings:

“**Board**” or “**Board of Director**” shall mean the Board of Directors of Manba Finance Limited, as constituted from time to time.

“**Company**” means Manba Finance Limited.

“**Net worth**” means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

“**Policy**” means Policy for determining material subsidiary.

“**Subsidiary**” or “**subsidiaries**” means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013 or shall have the same meaning as assigned to the term under the Companies Act, 2013 and the rules made thereunder, as amended, re-enacted and repealed from time to time.

“**Turnover**” for the purpose of this Policy shall mean the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the Company during a financial year.

The terms and expressions used in this Policy but not defined herein shall have the same meaning as assigned to those terms under the LODR, the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

### **3. Material Subsidiary**

Based on the audited annual consolidated financial statements of the Company and the audited financial statements of its subsidiaries for the immediately preceding accounting year, a subsidiary of the Company shall be treated as a ‘material subsidiary’ if:

- a) The turnover of such subsidiary exceeds ten percent of the consolidated turnover of the Company and its subsidiaries; or
- b) The net worth of such subsidiary exceeds ten percent of the consolidated net worth of the Company and its subsidiaries.

### **4. Limitation, Review and Amendment**

In the event of any conflict between the provisions of this Policy and of the Listing Regulations or any other applicable legal requirement (“Applicable Law”), the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy. The Board may review and amend this Policy from time to time, as may be deemed necessary.