



# **Strides Pharma Science Limited**

## **POLICY FOR DETERMINATION OF MATERIAL SUBSIDIARIES**

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### **1. PREAMBLE**

The Board of Directors of Strides Pharma Science Limited has adopted the following policy and procedures with regard to identification of material subsidiaries as defined below.

### **2. SCOPE AND PURPOSE**

This policy is framed in accordance with Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **3. LEGEND**

- a) **“Audit Committee”** means the committee of the Board formed under Section 177 of the Companies Act, 2013.
- b) **“Board of Directors”** or **“Board”** shall mean the board of directors of Strides Pharma Science Limited.
- c) **“Company”** shall mean Strides Pharma Science Limited.
- d) **“Independent Director”** shall mean a director of the Company who satisfies the criteria for independence under Section 149 (6) of Companies Act, 2013.
- e) **“Regulations”** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **4. CRITERIA FOR DETERMINING MATERIAL SUBSIDIARY**

A subsidiary of the Company shall be considered a “Material Subsidiary”, whose income or networth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

### **5. FRAMEWORK FOR GOVERNANCE OF MATERIAL SUBSIDIARIES**

- a) The Audit Committee shall review the financial statements, in particular, the investments made by the Material Subsidiary of the Company.
- b) The minutes of the Board meetings of the Material Subsidiary company shall be placed at the Board meeting of the Company at regular intervals.

- c) The Board shall be provided with a statement of all significant transactions and arrangements entered into by the Material Subsidiary Company.
- d) One Independent Director of the Company shall be a director on the Board of the unlisted Material Subsidiary, incorporated in India.
- e) 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 50% (fifty percent) of its existing holding or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court or Tribunal.
- f) Selling, disposing and leasing of assets amounting to more than 20% (twenty percent) of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders of the Company by way of special resolution unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.
- g) Where the Company has a listed subsidiary, which is itself a holding company, the provisions of the Regulation shall apply to the listed subsidiary insofar as its subsidiaries are concerned.

## **6. DISCLOSURE**

The Company must disclose the Policy on determining Material Subsidiaries on its website and a web link thereto must be provided in its annual report.

## **7. POLICY REVIEW**

The policy shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments.

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