



TRIVENI TURBINE LIMITED

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

1. Purpose and objective

This policy for determining Material Subsidiary ("Policy") aims to set out the principles for determining a material subsidiary of Triveni Turbine Limited ("Company") in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as may be amended from time to time.

The Board of Directors (the "Board") of the Company has approved and adopted this revised Policy at their meeting held on January 31, 2025.

2. Definitions

"Act" means the Companies Act, 2013.

"Audit Committee or Committee" means Committee of Board of Directors of the Company constituted under provisions of the Listing Regulations and Act.

"Board" means Board of Directors of the Company.

"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 Act and the Listing Regulations with the stock exchanges, as amended from time to time.

"Material Subsidiary" means a subsidiary which shall be determined as material, if its turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

3. Regulation of Material Subsidiaries

- a) 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 the Material Subsidiary without passing a special resolution in a general meeting of its shareholders except in cases where such disinvestment is made under a Scheme of arrangement duly approved by a Court/Tribunal or in such other manner as may be specified in Listing Regulations.
- b) The selling, disposing and leasing of assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution unless the sale/disposal /lease is made under a scheme of arrangement duly approved by a Court/Tribunal or in such other manner as may be specified in the Listing Regulations. Further, this provision shall not apply if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company.
- c) At least one independent director on the board of directors of the Company shall be a director on the board of directors of an unlisted material subsidiary, whether

incorporated in India or not, whose turnover or net worth exceeds the 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

- d) The Company and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the Company.
- e) The Company shall disclose the details of its material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of material subsidiaries in the corporate governance section of the annual report.

4. Procedure for determining Material Subsidiary

In order to determine the material subsidiary, the Company shall use its consolidated Audited Financial Statements of the immediately preceding accounting year and each subsidiary shall be put to test as per the definition of material subsidiary stated in this policy.

At the end of every accounting year when the financial statements are approved by the Board of Directors of the Company, each of the Company's subsidiaries shall be put to test.

The subsidiary, that qualifies the test of material subsidiary, shall be considered as material from that date.

5. Disclosure

This Policy shall be disclosed on the Company's website and web link thereto shall be provided in the annual report of the Company.

6. Review/Revision of the Policy

This Policy has been approved and adopted by the Board of the Company. The Audit Committee will review this policy annually or as and when felt appropriate by it, and recommend the changes/revisions, if any, to the Board for consideration and approval

In case of any modification(s), amendment(s), clarification(s), circular(s), re-enactment etc. issued by the relevant statutory authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

*Last Amended Date – January 31, 2025 (TTL/Version 2)
Previous Version Date – October 1, 2014 (TTL/Version 1)*