



## **POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

### **1. INTRODUCTION**

In accordance with the Regulation 16(1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated this policy for determining material subsidiary of the Company.

This Policy shall come into effect from the date of approval by the Board of Directors.

### **2. IDENTIFICATION OF A MATERIAL SUBSIDIARY**

A material subsidiary shall mean a subsidiary, the turnover or net worth of which exceeds ten percent of the consolidated turnover or net worth, respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

Insofar as the requirement of appointment of an Independent Director of the Company on the Board of Directors of an unlisted material subsidiary (whether incorporated in India or not) is concerned, such threshold would be reckoned as twenty percent.

### **3. AMENDMENTS AND REVIEW**

In the event of any inconsistency between this Policy and the applicable laws, the applicable laws will prevail. Any amendments, clarifications, circulars etc. issued by the relevant authorities, not being consistent with the terms of the Policy, shall be deemed to have been incorporated in the Policy.

This Policy will be reviewed and / or modified by the Board as and when deemed necessary and will be posted on the Company's corporate website ([www.tembo.in](http://www.tembo.in)) and web link thereto will be disclosed in the Annual Report of the Company.

\*\*\*\*\*