

BOROSIL LIMITED
(Formerly known as Hopewell Tableware Limited)

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

INTRODUCTION

The Board of Directors of Borosil Limited (BL) has adopted the following policy and procedures with regard to determination of material Subsidiaries in accordance with the requirements of the Regulation 24 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any amendments thereto).

TITLE

This policy shall be called 'Policy for determining material subsidiaries'.

OBJECTIVE

The objective of the policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

DEFINITIONS

'Board of Directors' of 'Board' means the Board of Directors of BL, as constituted from time to time.

'Company' means Borosil Limited.

'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 Companies Act, 2013 and the Listing agreement with the Stock exchange.

'Policy' means this Policy, as amended from time to time.

'Subsidiary' shall mean a subsidiary as defined under the Act and Rules made thereunder.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 or any other applicable law or regulation.

POLICY

A subsidiary shall be considered as material if-

- The investment of the Company in the subsidiary exceeds ten per cent of its consolidated net worth as per the audited balance sheet of the previous financial year; or
- The subsidiary has generated ten per cent of the consolidated income of the Company during the previous financial year.

Material Non Listed Indian Subsidiary shall mean a Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges and whose:

- Net worth exceeds 10% of the consolidated net worth of the Company as per the audited balance sheet of the previous financial year; or
- Income exceeds 10% of the consolidated income of the Company as per the audited balance sheet of the previous financial year.

REQUIREMENT REGARDING MATERIAL SUBSIDIARY

The Company, without passing a special resolution in its General Meeting, shall not:

- Dispose shares in the material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or
- Dispose shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- Sell, dispose or lease the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year.

Unless in cases where the divestment/sale/ disposal / lease is made under a scheme or arrangement duly approved by a Court/Tribunal.

REQUIREMENT REGARDING MATERIAL NON-LISTED INDIAN SUBSIDIARY

At least one Independent Director on the Board of the Company shall be a Director on the Board of the material non-listed Indian subsidiary company whether incorporated in India or not. For this purpose the material non-listed subsidiary shall mean a subsidiary, whose income or net worth exceeds twenty percent consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

AMENDMENTS

The Board may, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new policy. The Board may also establish further rules and procedures, from time to time, to give effect to this Policy and to ensure governance of material subsidiary companies.

SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this policy.

DISSEMINATION OF POLICY

This policy shall be hosted on the website of the Company and weblink thereto shall be provided in the annual report of the Company.

This Policy has been adopted by the Board of Directors in its meeting held on February 03, 2020.