



MATERIAL SUBSIDIARY POLICY
OF
SEAMEC LIMITED

APPROVED BY THE BOARD OF DIRECTORS ON
27TH MAY 2015 AND FIRST MODIFICATION APPROVED
ON 15TH MAY, 2019

1. INTRODUCTION:

In accordance with 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.

2. DEFINITIONS

- “**Company**” means SEAMEC Limited.
- “**Board**” means Board of Directors of the Company
- “**Directors**” means Directors of the Company
- “**Audit Committee or Committee**” means Committee of the Board of Directors of the Company constituted under provisions of Listing Agreement with the Stock Exchanges and Companies Act, 2013.
- “**Subsidiary Company**” means the Company as defined under Section 2(87) of the Companies Act, 2013.

3. SCOPE

This Policy sets out the criteria for determining material subsidiary / subsidiaries.

4. POLICY

A subsidiary shall be considered as 'material subsidiary' whose income or net-worth exceeds ten percent of the consolidated income or net-worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

The Policy shall be implemented as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time.

5. CORPORATE GOVERNANCE REQUIREMENTS

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.

[Explanation - For this purpose, notwithstanding anything to the contrary stated hereinbefore, the term “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.]

The Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent 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/Tribunal, or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved

Selling, disposing and leasing of assets amounting to more than twenty percent 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 under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

6. POLICY AND APPLICABILITY

Chief Financial Officer of the Company is to provide all information to the President (Corporate Affairs, Operations and Company Secretary) in respect of potential material subsidiary transactions.

All transactions with Material Subsidiary will accordingly be reviewed and placed before the Audit Committee and Board for ratification / approval as the case may be.

7. AMENDMENTS

The Board of Directors, may, if thought necessary, amend this Code from time to time.

In any circumstance where the terms of the Code differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over the Code.

8. DISCLOSURES

This Policy shall be hosted on the website of the Company and a web link of the same be referred to in the Annual Report of the Company for the information of the stakeholders.