

D-LINK (INDIA) LIMITED

MATERIAL SUBSIDIARY POLICY

1. OBJECTIVE

This Material Subsidiary Policy (“the Policy”) lays down the principles and standards to identify Material Subsidiaries of the Company and related corporate governance in compliance with the provisions of Regulation 16 (1)(c) of SEBI (Listing Obligations & Disclosure Requirements) 2015, SEBI (LODR), Regulations, 2015”],.

2. APPLICABILITY

This Policy will be applicable to the Company effective 1 October 2014 and Reviewed /Amended on 29 May 2021.

3. IDENTIFICATION OF MATERIAL SUBSIDIARIES

A subsidiary of the Company shall be considered as material if -

- a) the income of the subsidiary exceeds 10% of the consolidated income of the Company and its Subsidiaries in the immediately preceding accounting year.
OR
- b) the net worth of the subsidiary exceeds 10% of the consolidated net worth of the Company and its Subsidiaries in the immediately preceding accounting year.

For this purpose, the term ‘subsidiary’ shall have the meaning assigned to it under the Companies Act, 2013.

Compliances under SEBI (LODR), Regulations, 2015

- At least one independent director on the board of directors of the Company shall be appointed as a director on the board of directors of an unlisted material subsidiary (For the purpose of this clause unlisted material subsidiary shall mean to be a subsidiary of the Company meeting the criteria as defined in Regulation 24 (1) of SEBI (LODR), Regulations, 2015) whether incorporated in India or not.
- The audit committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.
- The minutes of the meetings of the board of directors of the unlisted subsidiary shall be placed at the meeting of the board of directors of the Company.

- The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

Explanation.- For the purpose of this policy, the term “significant transaction or arrangement” shall have the meaning as defined in Regulation 24 (4) of SEBI (LODR), Regulations, 2015, from time to time.

- 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 or equal to 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.
- 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.
- The Company will disclose the Material Subsidiary Policy on the Company’s website and a web link thereto will be provided in the Annual Report and will ensure compliance with the provisions of SEBI (LODR), Regulations, 2015.

4. POLICY ADMINISTRATION

The Board of Directors of the Company or any Committee thereof, may also amend this policy to make it compliant with any change in the regulatory requirements or for any other purpose that it may consider expedient.

5. INTERPRETATION

All the definitions used in this policy should be limited to the meaning as derived under or referred to in the applicable Laws and regulations including the Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

6. CONFLICT OF LAW:

Any provision in this policy, insofar as it is inconsistent or contradictory with the provisions of law and/ or any statutory enactments shall, to the extent of such inconsistency, be void and the provisions of law/ statutory enactment shall prevail.

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