

EIH Limited

(A member of  The Oberoi Group)

POLICY ON MATERIAL SUBSIDIARIES

1. Introduction

The Board of Directors (the “Board”) of EIH Limited (the “Company”) has adopted the following policy and procedures with regard to determination of Material Subsidiaries as defined below. The Board, on the recommendation of the Audit Committee, may review and amend this Policy from time to time.

2. Policy Objective

To determine and report thereon the Material Subsidiaries of the Company in accordance with Regulation 16 (c) of the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulations, 2015 (“Listing Regulations”)

3. Definitions

“**Audit Committee**” or “**Committee**” means “Audit Committee” constituted by the Board of Directors of the Company, from time to time, under provisions of the the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

“**Board of Directors**” or “**Board**” means the Board of Directors of the Company.

“**Company**” means EIH 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 the criteria for independence laid down under the Companies Act, 2013 and Regulation 16(b) of the Listing Regulations.

“**Policy**” means Policy on Material Subsidiaries.

“**Material Non-listed Indian Subsidiary**” means a Material Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges.

“**Significant Transaction or Arrangement**” means any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the material unlisted subsidiary for the immediately preceding accounting year.

“**Subsidiary Company**” or “**Subsidiary**” means a Company as defined under the Companies Act, 2013 and the Rules made thereunder.

4. Policy

- 4.1. “**Material Subsidiary**” shall mean a subsidiary, whose income or networth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.
- 4.2. One **Independent Director** of the Company shall be a director on the Board of the Material Non-listed Indian Subsidiary Company.
- 4.3. The Audit Committee shall review the financial statements, in particular, the investments made by the unlisted subsidiary company on an annual basis.
- 4.4. The minutes of the Board Meetings of the unlisted subsidiary companies shall be placed before Board of the Company.
- 4.5. At the Audit Committee Meeting held immediately after the completion of a financial year, the Management shall place the list of Subsidiary Company, if any, meeting the criteria laid down herein. The Audit Committee shall review and recommend to the Board for appointment of an Independent Director in the Material Non-listed Indian Subsidiary. Further, the Audit Committee shall recommend such other compliances as may be required to be compiled with under the listing agreement.

5. Disposal of Material Subsidiary

The Company, without the prior approval of the members by Special Resolution, shall not:

- a. dispose of shares in its Material Subsidiary that reduces its shareholding (either on its own or together with other subsidiaries) to less than 50%; or
- b. ceases the exercise of control over the Subsidiary; or
- c. sell, dispose off 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 such divestment or sale/disposal/lease, as the case may be, is made under a Scheme of Arrangement duly approved by a Court/Tribunal.

6. Disclosures

This Policy including any amendment(s) thereto as may be made from time to time, shall be disclosed on the Company’s website at www.eihltd.com and a web link thereto shall be provided in the Company’s Annual Report.

L. Ganesh
Chairperson- Audit Committee

P.R.S.Oberoi
Chairperson