POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Amended on 12th February, 2025

UNIVERSUS PHOTO IMAGINGS LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

INTRODUCTION:

Universus Photo Imagings Limited ("**Company**") is governed amongst others by the rules and regulations framed by Securities Exchange Board of India ("**SEBI"**). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("**Listing Regulations**") lays out regulatory requirements for material subsidiary companies.

The Board of Directors (the "**Board"**) of the Company has adopted the policy and procedures for determining 'material' subsidiary companies ("**Policy**") in accordance with the provisions of Regulation 16(1)(c) of the Listing Regulations.

DEFINITIONS:

"**Audit Committee or Committee**" means the committee constituted by the Board of Directors of the Company in accordance with section 177 of the Companies Act, 2013 and Regulation 18 Listing Regulations from time to time.

"**Board of Directors" or "Board**" means the Board of Directors of Universus Photo Imagings Limited, as constituted from time to time.

"**Holding Company**" in relation to one or more other companies, means a company of which such companies are subsidiary companies.

"**Income"** shall mean `Total Revenue` of `Total Income` (including other income) as per the audited Financial Statements of the previous financial year.

"**Independent Director**" means an independent director referred to in

- section 149(6) of the Companies Act, 2013, and / or
- regulation 16(b) of the Listing Regulations.

***"Material subsidiary**" shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

"Material Unlisted Indian Subsidiary" shall mean an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds ten percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

"**Net worth"** means net worth as defined in sub section (57) of section 2 of the Companies Act, 2013means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

"Significant transaction or arrangement" shall mean 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**" shall be as defined under the Companies Act, 2013 and the rules made thereunder.

"**Unlisted Subsidiary**" means subsidiary whose securities are not listed on any recognized Stock Exchanges.

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 (**"Act"**) and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

GOVERNANCE FRAMEWORK:

Compliances with respect to all subsidiary Companies:

- The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary.

- The minutes of the Board Meetings of the unlisted subsidiary companies shall be placed before the Board 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.

Compliances with respect to all unlisted material subsidiary Companies:

- At least one Independent Director on the Board of Directors of the holding Company shall be a Director on the Board of Directors of a material unlisted subsidiary Company, whether incorporated in India or not.

***Explanation**: for the purpose of this provision, notwithstanding anything to the contrary contained in this policy, the term "**Material subsidiary**" shall mean a subsidiary, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.*

- Every material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit and shall annex a Secretarial Audit Report given by company secretary in practice in such form as specified, with the annual report of the Company.

Additional compliances with respect to all material subsidiary companies

Disposal of Material Subsidiary:

- The Company shall not:

a. dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% (Fifty Percent) or cease the exercise of control over the subsidiary.

b. sell, dispose or lease of assets amounting to more than 20% (twenty percent) of the assets of the material subsidiary on an aggregate basis during a financial year.

   Without the approval of the Shareholder by way of passing a special resolution in its General Meeting, except in cases where such divestment for clause (a) above or sale/disposal/lease for clause (b)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.

OTHERS

Where the Company has a listed subsidiary which is itself a holding company, the above provisions shall apply to the listed subsidiary in so far as its subsidiaries are concerned.

DISCLOSURE

This policy will be posted on the Company's website and a web link thereto shall be provided in the Annual Report.

AMENDMENT TO THE POLICY

The Board of Directors on its own can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

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