



OMAX AUTOS LIMITED  
**POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES**

**1. Purpose and Scope:**

The policy for determining 'material' subsidiaries has been framed in accordance with the provisions of Reg. 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

The policy shall be used to determine material subsidiaries of the Company and to provide the governance framework of such subsidiaries.

All the words and expressions used in this policy, unless defined in this policy, shall have meaning assigned to them under the LODR Regulations or in absence of which, as per the Companies Act, 2013 and any rules and regulations made thereunder, as amended from time to time.

**2. Identification of Material Subsidiary:**

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

**3. Disposal of shares/assets in material subsidiary:**

- (i) A listed entity 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.
- (ii) 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.

**4. Policy review:**

This policy is subject to review by the Board of Directors as and when necessary as per statutory requirements.

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