



# Wim Plast Ltd.

CIN : L25209DD1988PLC001544

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## Policy on Material Subsidiary (Amended on 11<sup>th</sup> June, 2021)

The Board of Directors of Wim Plast Limited ('the Company') have formulated policy and procedures with regard to determination of material subsidiary (ies) of the Company in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') (including any amendments thereof). The Board may review and amend this Policy from time to time.

### **PURPOSE OF THE POLICY**

The objective of this Policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

All the words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the Listing Regulations.

### **DEFINITIONS**

**"Board of Directors"** or **"Board"** means the Board of Directors of Wim Plast Limited, as constituted from time to time.

**"Company"** means "Wim Plast Limited".

**"Policy"** means this Policy, as amended from time to time.

**"Subsidiary"** means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013.

**"Material Subsidiary"** Clause 16 1(c) of the Regulations defines "material subsidiary" as 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.

**"Board of Directors"** means Board of Directors of the Company.

**"Audit Committee"** means a committee of the Board of Directors of the Company as constituted under the relevant provisions of the Companies Act, 2013, and Listing Regulations (Clause 49 of the erstwhile Listing Agreement), to function as a audit committee.

### **FREQUENCY OF MATERIALITY TEST**

The materiality test shall be applied every financial year as soon as the audited financial statements of the Company are made available by the Auditor of the Company.

## **REQUIREMENTS IN RELATION TO THE MATERIAL SUBSIDIARY COMPANY**

Following requirements shall be observed by the Company in relation to a material subsidiary of the Company:

1. At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, incorporated in India.
2. The audit committee of the listed entity shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.
3. 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 listed entity.
4. The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the listed entity, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

Explanation.- For the purpose of this regulation, the term “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 unlisted material subsidiary for the immediately preceding accounting year.

## **DISPOSAL OF MATERIAL SUBSIDIARY**

The Company shall not:

- dispose of the 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% or
- cease the exercise of control over the subsidiary; without passing a special resolution in its General Meeting, except in cases where divestment is made under a scheme or 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.
- 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 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..

## **AMENDMENT**

The Board of Directors may review or amend this policy, in whole or part, from time to time.

## **DISCLOSURE**

As prescribed under Regulation 46 (1) of the SEBI’s LODR Regulations, this policy shall be disclosed on the company’s website [www.cellowimplast.com](http://www.cellowimplast.com)