

ONDOOR CONCEPTS LIMITED

(Formerly known as Odoor Concepts Private Limited)

POLICY FOR DETERMINING **MATERIAL SUBSIDIARIES**

INTRODUCTION:

In accordance with the Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), Ondoor Concepts Limited ("the Company") has formulated this policy for determining material subsidiary of the Company ("Policy").

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 and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

OBJECTIVE:

The objective of the policy is to define the Material Subsidiary of Ondoor Concepts Limited and to provide good corporate governance framework of such subsidiaries in compliance with the applicable regulatory requirements.

DEFINITIONS:

The terms and expressions not defined hereunder shall have the same meaning as defined under the Companies Act, 2013, SEBI Act, 1992 and the Listing Regulations.

"Act" means Companies Act, 2013 and Rules made thereunder.

"Audit Committee" means Committee constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof.

"Board of Directors" or **"Board"** means the Board of Directors of Company, as constituted from time to time.

"Control" shall have the same meaning as assigned to the term in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

"Independent Director" shall have the meaning as ascribed to the term under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013, including any modifications, amendments, clarifications, circulars or reenactments thereof.

"Material Subsidiary" shall mean a subsidiary, whose income or net worth (i.e. paid-up capital and free reserves) exceeds 10% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

"Policy" means policy on Material Subsidiary.

"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 subsidiary for the immediately preceding accounting year.

“Subsidiary Company” shall mean a subsidiary as defined under Section 2(87) of the Companies Act, 2013 and rules related thereto.

“Unlisted Subsidiary” means subsidiary whose securities are not listed on any recognized stock exchanges.

CRITERIA FOR DETERMINING MATERIAL SUBSIDIARY:

A Subsidiary (including Foreign Subsidiary) shall be considered as Material Subsidiary, if its income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

However, a subsidiary shall be considered as material for the purpose of clause 1 of regulation 24 of SEBI (Listing obligation and disclosure requirements) Regulation, 2015, if its income or net worth exceeds 20% of consolidated income or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year (“specific material subsidiary”).

POLICY:

- a. The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary on an annual basis.
- b. The minutes of the meetings of the Board of Directors (“Board”) of the unlisted subsidiary shall be placed at the meeting of the Board of the Company.
- c. The management of the unlisted subsidiary shall periodically bring to the notice of the Board of the Company, a statement of all significant transactions or arrangements entered into by the unlisted subsidiary.
- d. The management shall present to the Audit Committee annually, the list of subsidiaries together with the details of the materiality defined herein. The Audit Committee shall review the same and make suitable recommendations to the Board.
- e. At least one independent director on the Board of the Company shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not. Explanation - For the purposes of this provision, notwithstanding anything to the contrary contained in regulation 16 of SEBI Listing Regulations, the term “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- f. The Company’s material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a Secretarial Audit Report, given by a company secretary in practice, in such form as may be specified.
- g. The Company shall not without the prior approval of the Shareholders by way of Special resolution:

- (i) 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 50% or cease the exercise of control over the subsidiary except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal/Company Law Board or under a resolution plan duly approved under section 31 of the Insolvency and Bankruptcy Code 2016 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 20% of the assets of the material subsidiary unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court /Tribunal/ Company Law Board or under a resolution plan duly 4 approved under section 31 of the Insolvency and Bankruptcy Code 2016 and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

h. Other Compliances as applicable with respect to such Material Subsidiary (ies) shall be in accordance with the Listing Regulations and other applicable laws, if any, for the time being in force and as amended from time to time.

Amendment:

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

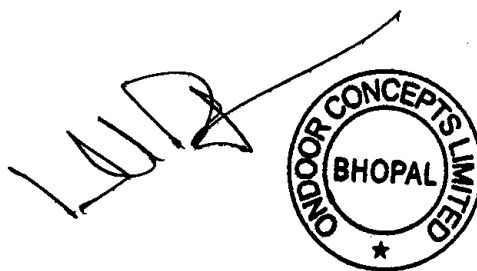
In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.

Dissemination of the Policy:

The policy shall be hosted on the website of the Company i.e. www.ondoor.com.

Effective Date: 07.09.2023

Date of Approval of Board of Directors: 07.09.2023

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "ONDOOR CONCEPTS LIMITED" around the top edge, "BHOPAL" in the center, and a small star at the bottom. The signature appears to be "LALIT".