



# **DISH TV INDIA LIMITED**

(CIN L51909MH1988PLC287553)

## **POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

**(Effective from October 1, 2014)**

(Revised Policy approved by the Audit Committee and Board of Directors at their meeting held on March 26, 2019 effective from April 1, 2019)

## **INTRODUCTION**

The Board of Directors of Dish TV India Limited (the “Company” or “Dish TV”) has adopted the following policy with regard to procedure for determination of Material Subsidiaries.

## **PURPOSE AND SCOPE**

The Policy for determining ‘material’ subsidiary companies has been framed in accordance with the provisions of Regulation 16(1) (c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘Listing Regulations’).

The Policy will be used to determine the Material Subsidiaries of Dish TV India Limited (the “Company” or “Dish TV”) and to provide the governance framework for such subsidiaries.

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.

## **DEFINITIONS**

“**Act**” means the Companies Act, 2013

“**Audit Committee or Committee**” shall mean the Committee of Board of Directors of the Company constituted under provisions of Listing Regulations and Companies Act, 2013, to oversee the accounting and financial reporting process of the Company.

“**Board**” shall mean the Board of Directors of Dish TV India Limited.

“**Company**” means Dish TV India Limited

“**Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“**Policy**” means this policy, as amended from time to time.

“**Subsidiary**” shall mean a subsidiary as defined under the Act and Rules made thereunder.

“**Significant transaction or arrangement**” shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent 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.

## **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.

## **GOVERNANCE FRAMEWORK**

- i. The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- ii. The management shall periodically bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary company.
- iii. The minutes of the Board Meetings of the Unlisted Subsidiary Companies shall be placed before the Board of the Company.
- iv. One Independent Director on the Board of the Company shall be a director on the Board of Directors of the **unlisted material subsidiary**, whether incorporated in India or not.
- v. The Audit Committee may make suitable recommendations to the Board including recommendation for appointment of Independent Director in the Material Non-Listed Subsidiary.

## **DISPOSAL OF MATERIAL SUBSIDIARY:**

The Company, without passing a special resolution in its General Meeting, shall not:-

- ❖ dispose shares in the material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or
- ❖ dispose shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- ❖ sell, dispose 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 in cases where the divestment/ 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.

**POLICY REVIEW:**

This policy is framed pursuant to the provisions of the Companies Act 2013 and rules thereunder and the requirements of the Listing Regulations.

In case of any subsequent changes in the provisions of the Companies Act 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Audit Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

**DISCLOSURE**

This policy shall be hosted on the website of the Company and a web link thereto shall be provided in the annual report of the Company.