

MUFIN GREEN FINANCE LIMITED

POLICY FOR DETERMINATION OF A MATERIAL SUBSIDIARY

1. OBJECTIVE AND SCOPE

As per Regulation 16(1)(c) of the SEBI Listing Regulations (LODR), requires a company to formulate a policy to determine its "Material Subsidiaries".

Accordingly, Mufin Green Finance Limited ("Company") has formulated Policy for Determining Material Subsidiary ("Policy") which sets out the criteria for determination of material subsidiaries of the Company.

2. DEFINITION

In this Policy, unless there is anything repugnant to the subject or context thereof, the capitalised terms listed below shall have the following meanings:

"Board" or **"Board of Director"** means the Board of Directors of Mufin Green Finance Limited, as constituted from time to time.

"Company" means Mufin Green Finance Limited.

"Net worth" means 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.

"Policy" means Policy for determining material subsidiaries.

"Subsidiary" or **"subsidiaries"** shall have the same meaning as assigned to the term under the Companies Act, 2013 and the Rules made thereunder, as amended, re-enacted and repealed from time to time.

"Turnover" for the purpose of this Policy shall mean the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the Company during a financial year.

The terms and expressions used in this Policy but not defined herein shall have the same meaning as assigned to those terms under the LODR, the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

3. MATERIAL SUBSIDIARY:

Based on the audited annual consolidated financial statements of the Company and the audited

financial statements of its subsidiaries for the immediately preceding accounting year, a subsidiary of the Company shall be treated as a 'material subsidiary' if:

- a) The turnover of such subsidiary exceeds ten percent of the consolidated turnover of the Company and its subsidiaries; or
- b) The net worth of such subsidiary exceeds ten percent of the consolidated net worth of the Company and its subsidiaries.

Insofar as the requirement of appointment of an Independent Director of the Company on the Board of Directors of an unlisted material subsidiary (whether incorporated in India or not) is concerned, such threshold would be reckoned as twenty percent.

4. DISSEMINATION OF POLICY:

This Policy shall be placed on the Company's website.

5. REVIEW OF THE POLICY

This Policy shall be subject to review as may be deemed necessary by the Board of Directors of the Company or in case of any regulatory amendments.

6. SCOPE AND LIMITATION

If there is any amendment to the Act or Listing Regulations affecting this Policy, then the relevant amended provision of the Act or Listing Regulations will prevail over this Policy.

In the event of any conflict between the provisions of this Policy and the SEBI LODR or the Act or any other relevant legislation/ regulation applicable to the Company, the provisions of the SEBI LODR or the Act or such other relevant law / regulation shall prevail over this Policy.