



Policy for Determining Material Subsidiary

Version 3.0

L&T TECHNOLOGY SERVICES LIMITED

**Record of Release**

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1.0	Secretarial team	Kapil Bhalla	Board	July 15, 2016	
2.0	Secretarial team	Kapil Bhalla	Board	March 30, 2019	
3.0	Secretarial team	Prasad Shanbhag	CEO & MD and CFO	December 12, 2024	



L&T Technology Services Limited

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

Background & Objectives:

The objective of this policy is to determine the material subsidiaries of L&T Technology Services Limited in accordance with Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including amendments thereof).

Authority:

This Policy has been adopted by the Board of Directors of L&T Technology Services Limited ('the Company') at its Meeting held on July 15, 2016.

The Policy shall also be displayed on the website of the Company.

Definitions:

"Company" means L&T Technology Services Limited.

"Policy" means Policy on Material Subsidiary.

"Subsidiary" or "Subsidiaries" means Subsidiary or Subsidiaries of L&T Technology Services Limited in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

"Net Worth" means net worth as defined in sub-section (57) of Section 2 of the Companies Act, 2013.

All the terms not defined herein shall have the meanings assigned to them as per the provisions of the Companies Act, 2013 or the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Policy:

A subsidiary shall be considered as material subsidiary, if its turnover or net worth exceeds ten percent of the consolidated turnover or net worth, respectively, in the immediately preceding accounting year.

Other Provisions: -

1. At least one Independent Director on the Board of Directors of the Company shall be a Director on the Board of Directors of an unlisted material subsidiary whether incorporated in India or not.

For the purpose of compliance with the above, the term “Material Subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

2. The Company 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 and Bankruptcy Code, 2016 (‘Insolvency Code’) such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
3. 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.

Nothing contained in this sub-regulation shall be applicable if such sale, disposal or lease of assets is between two wholly owned subsidiaries of the listed entity.



4. Every material unlisted subsidiary of the Company incorporated in India shall undertake secretarial audit by a Secretarial Auditor who shall be a peer reviewed company secretary and shall annex with its annual report, a Secretarial Audit Report in such form as may be prescribed.

Review & Amendment:

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The CEO & Managing Director and the Chief Financial Officer shall jointly have the right to change / amend the policy as may be expedient taking into account the law for the time being in force and the Board would be updated about such change / amendment.

Any amendment to the Policy necessitated other than due to administrative convenience and / or statutory amendments, which would substantially impact the implementation of the existing Policy, shall be approved by the Board.

Where any of the provisions laid down under this Policy become inconsistent due to any amendment(s), clarification(s), circular(s), etc., issued by the relevant authorities; the provisions of such regulatory amendment(s) or clarification(s) or circular(s) as the case maybe shall prevail even if the same is not included in this Policy.