

TRANSWORLD SHIPPING LINES LIMITED (FORMERLY KNOWN AS SHREYAS SHIPPING AND LOGISTICS LIMITED)

POLICY ON MATERIAL SUBSIDIARY

Policy No:	TSSL/13
Issue Date:	December 1, 2015
Revision No:	01
Revision Date:	February 12, 2025

1. OBJECTIVE:

To determine the Material Subsidiaries of Transworld Shipping Lines Limited (Formerly Known as Shreyas Shipping and Logistics Limited) as per the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“SEBI ICDR Regulations”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”), the Policy for determining Material subsidiary has been framed.

This Policy is amended in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 to further amend the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“SEBI LODR”) with effect from December 12, 2024 and is intended to ensure governance of the Company’s material subsidiary companies.

The Board of Directors (the “Board”) of the Company has adopted the following revised policy with regard to the determination of its Material Subsidiaries at its meeting held on February 12, 2025.

The Company is required to disclose this Policy on its website and a web link thereto shall be provided in the Annual Report.

2. DEFINITIONS:

- a. “Act” means Companies Act, 2013 including any statutory modification or reenactment thereof.

- b. **“Audit Committee”** means Audit Committee constituted by the Board of Directors of the Company under Section 177 of the Companies Act, 2013 and SEBI LODR Regulation as may be amended from time to time.
- c. **“Board of Directors” or “Board”** means the Board of Directors of Transworld Shipping Lines Limited, as constituted from time to time.
- d. **“Company”** means a Transworld Shipping Lines Limited.
- e. **“Holding Company”** means Holding Company as defined under Section 2(46) of the Act.
- f. **“Independent Director”** means an Independent Director as defined in Section 2(47) of the Act read with SEBI LODR and as may be amended from time to time.
- g. **“Material Subsidiary”** shall mean a subsidiary, whose turnover or net worth exceeds 10% (ten percent) of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year shall be considered a material subsidiary.
- h. **“Material Non-Listed Indian Subsidiary”** mean a Material Subsidiary which is incorporated in India and which is not listed on any of the Indian Stock Exchanges.
- i. **“Policy”** means this Policy on Material Subsidiaries and as may be amended from time to time.
- j. **“Subsidiary Company / Subsidiary”** means Subsidiary Company/Subsidiary as defined under Section 2(87) of the Act and the Rules made there under.
- k. **“Significant Transaction or Arrangement”** shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% (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.

3. Compliance with SEBI LODR:

- i) In case of an unlisted material subsidiary incorporated in India or not, at least one Independent Director on the Board of Directors of the Company shall be a Director on the Board of such unlisted material subsidiary.

For the purposes of this provision, notwithstanding anything to the contrary contained in Regulation 16 of the Listing Regulations or this Policy, the term “material subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds 20% (twenty per cent) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

- ii) The Company and its unlisted Material Subsidiaries 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, given by a company secretary in practice, in such form as may be specified.

4. Disposal of Shares / Assets of Material Subsidiary:

- i) 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 or equal to 50% (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 Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
- ii) The Company shall not sell, dispose, and lease assets amounting to more than 20% (twenty percent) of the assets of the Material Subsidiary on an aggregate basis during a financial year unless it obtains the prior approval of Shareholders by way of special resolution, except 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-clause (ii) shall be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company.

5. Review of Significant transaction and arrangements entered into by Unlisted Subsidiary Company:

The management of the unlisted subsidiary shall periodically bring to the attention of the Board, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary company.

6. Review by the Company:

- i) The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.
- ii) 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 Company.

7. Amendments:

The Board shall have the power to amend any of the provisions of the Policy, substitute any of the provisions with a new provision or replace this policy entirely with a new Policy.

8. Interpretation:

Any words used in the Policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made there under, SEBI Act or regulations made there under, SEBI LODR or any other relevant legislation/ law applicable to the Company.
