SATTVA SUKUN LIFECARE LIMITED

(FORMERLY MAYUKH DEALTRADE LIMITED)

POLICY FOR DETERMINING MATERIAL SUBSIDIARY COMPANIES

1. SCOPE AND PURPOSE

The Company has formulated and adopted this policy ("Policy") for determining material subsidiary companies in terms of regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 ("Listing Regulations"). The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company.

All words and expressions used herein, unless defined herein, shall have the same meaning as respectively assigned to them, in the Applicable Law under reference.

'Applicable Law' includes (a) the Companies Act, 2013 (the Act) including any statutory modification or re-enactment thereof and rules made thereunder; (b) the Listing Regulations; and (c) Indian Accounting Standards.

2. CRITERIA FOR DETERMINING MATERIAL SUBSIDIARY

In terms of the Listing Regulations, a subsidiary company of the Company shall be considered as 'material', if: -

A. Its income exceeds 10% of the consolidated net income of the Company and its subsidiary companies in the immediately preceding accounting year; or
B. Its net worth exceeds 10% of the consolidated net worth of the Company and its subsidiary companies in the immediately preceding accounting year.

The Company shall annually obtain a certificate from its Statutory Auditors to assess which of its subsidiary companies can be deemed to be a material subsidiary company for the purpose of the Listing Regulations and the said certificate shall be placed before the meeting of the Board of the Company for its noting.

In terms of this Policy, it shall be the responsibility of the Company to ascertain which of its subsidiary companies can be deemed to be a material subsidiary company for the purpose of the Listing Regulations and ensure adherence to the relevant provisions stated therein.

3. COMPLIANCES

3.1 Unlisted subsidiaries

a. The minutes of the meetings of the Board of Directors of unlisted subsidiary companies shall be placed before the Board of the Company.
a. The Audit Committee of the Board of Directors of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary companies.
b. The management of the unlisted subsidiary 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 subsidiary companies.

c. A transaction or arrangement shall be considered significant if it exceeds or is likely to exceed ten percent of total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding financial year.

3.2 Material unlisted subsidiaries

a. The Company shall appoint any one of its independent directors as a director on the board of directors of unlisted material subsidiary company, whether incorporated in India or not.

For the purpose of this requirement, an unlisted material subsidiary company shall mean an unlisted subsidiary company, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

b. Every material unlisted subsidiary incorporated in India shall undertake secretarial audit and the secretarial audit report shall be annexed with the annual report of the Company.

3.3 Material subsidiaries (whether listed or not)

a. 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 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.

b. Sell, dispose or lease the assets of the material subsidiary Company amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year except in case where such sale, disposal or 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.

4. DISCLOSURES

As mandated under the Listing Regulations, the Company shall disclose this Policy on its website i.e., https://www.mayukh.co.in/ and a web link thereto shall be provided in its Annual Report.

5. POLICY REVIEW

This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Listing Regulations or any other Applicable Law or as may be otherwise prescribed by the Board from time to time.

6. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Applicable Law, the Applicable Law shall prevail over this Policy.

******