

SUNDARAM FINANCE LIMITED

POLICY ON MATERIAL SUBSIDIARIES
[As per Regulation 16(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

For the purpose of above Regulation, a subsidiary shall be considered as material, if the income or net worth of such subsidiary exceeds 20% of the consolidated income or net worth respectively of the Company.

The Company shall not dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% (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.

Selling, disposing and leasing of asset amounting to more than 20% 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.

