

POLICY ON MATERIAL SUBSIDIARIES

In our pursuit for achieving our vision, we will conduct ourselves in a manner that reflects our shared values and our commitment to conduct business in the right way.

1. Our Vision

Peninsula Land Limited is respected in the Industry for its professional style of management and best business practices, its core values based on Customer Focus, Integrity, Teamwork, Passion for Excellence, Accountability and Respect. Peninsula Land Limited believes that good governance generates goodwill among business partners, customers and investors, earns respect from society, brings about a consistent sustainable growth for the Company and generates competitive returns for the investors. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders. Through the Governance mechanism in the Company, the Board along with its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

Peninsula Land Limited believes Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investors' confidence and commitment to the Company. Peninsula Land Limited is committed to adhering to good corporate governance practices to effectively meet its Statutory, Financial and Social obligations.

Peninsula Land Limited (PLL)'s Material Subsidiary Policy is --- "To remain a responsible corporate entity mindful of its responsibilities to all stakeholders including consumers, share-holders, employees, local community and society at large".

PLL, through its Material Subsidiary policy would strive to encourage value driven excellence while creating tangible benefits for its shareholders' in terms unlocking value in subsidiary companies and also to strive towards transparency in disclosure for such transaction to enable shareholders to make informed choices and decision making."

2. Our Business Code of Conduct

This Code of Business Conduct is designed to give us a broad and clear understanding of the parameters to be followed while dealing with the investments in subsidiaries & the representation of the parent company on the board of the subsidiaries.

3. ACCOUNTABILITY TO ENSURE COMPLIANCE

The Board of Directors assisted by the CFO & Compliance Officer i.e. the KMPs would ensure that all transactions contemplated from now onwards involving any divestment/sale of investment in material subsidiaries are preferably placed before the Board and subsequently placed at meeting of the shareholders for their approval as per the provisions given below.

4. DEFINING SUBSIDIARY TO IDENTIFY COMPLIANCE REQUIREMENT:

Material Subsidiary

For the purpose of this code A material subsidiary means “*if the investment of the Company in the subsidiary exceeds twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year or if the subsidiary has generated twenty per cent of the consolidated income of the Company during the previous financial year*”

SUBSIDIARY COMPANY

Subsidiary Company shall have the same meaning as per section 2(87) of the Companies Act, 2013

5. TRIGGERS AND COMPLIANCE

- For any divestment of shares in a material subsidiary, the Company commits itself to seek shareholders’ approval by way of a special resolution where such divestment 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 ***except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal***
- Further the Company affirms that for any 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, it would seek 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***

For the purpose of this code:

Explanation 1: The term “material non-listed Indian subsidiary” shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Explanation 2: The term “significant transaction or arrangement” shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the material unlisted subsidiary for the immediately preceding accounting year.

Explanation 3: Where a listed holding company has a listed subsidiary which is itself a holding company, the above provisions shall apply to the listed subsidiary insofar as its subsidiaries are concerned.

6. BOARD REPRESENTATION:

The Company shall ensure that

- i. At least one independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of a material non listed Indian subsidiary company.
- ii. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
- iii. The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the listed holding company. The management would periodically bring to the attention of the Board of Directors, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.

7. PROTECTED DISCLOSURE

All Protected Communication/Disclosures should be addressed to Compliance Officer of the Company. The contact details are as under:

General Manager- Group Legal & Company Secretary
Ashok Piramal Group
Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower panel,
Mumbai-400013

8. AMENDMENTS

The Company reserves the right to make amendments to this Code of Conduct.