

INTEGRA ESSENTIA LIMITED
(Formerly Integra Essentia & Garments Limited)

POLICY OF DETERMINING
MATERIAL SUBSIDIARIES

I. 1.1 Introduction

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) requires every listed Company to formulate a policy for determining material subsidiaries.

This Policy of determining material subsidiaries (“the Policy”) is framed in context of the above statutory requirement and to put in place an appropriate framework for this purpose by Oracle Financial Services Software Limited (“the Company”).

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the Listing Regulations, and in the absence of its definition or explanation therein, as per the Companies Act, 2013 (“Act”) and the Rules, Notifications and Circulars made / issued thereunder, as amended, from time to time.

II. Definitions

Determination of material subsidiary: A subsidiary will be considered as a “Material Subsidiary” of the Company in case its income or net worth (i.e., paid up capital and free reserves) exceeds threshold percentage as defined in the Listing Regulations, of the consolidated income or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

Significant Transaction: shall mean any individual transaction or arrangement that exceeds or is likely to exceed threshold percentage, as defined in the Listing Regulations, of the total revenue or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary company for the immediately preceding accounting year.

III. Policy

- a) The Audit Committee of the Company shall review the financial statements, in particular the investments made by the unlisted material subsidiary Company.
- b) The Minutes of the Board Meetings of the unlisted material subsidiary Companies shall be placed before the Board of the Company.

- c) The Management 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 unlisted subsidiary Company.
- d) At least one independent director on the Board of the Company shall be a director on the Board of unlisted material subsidiary Company.
- e) Following transactions shall be undertaken only after passing a special resolution in its General Meeting unless such disinvestment/sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal:
 - i. Disposing of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than prescribed threshold limit or cease the exercise of control over the material subsidiary Company.
 - ii. Selling, disposing and leasing of assets amounting to more than prescribed threshold limit of the assets of the material subsidiary on an aggregate basis during a financial year.
- f) The Policy shall automatically stand modified to cover revision(s) / amendment(s) in accordance with the applicable laws and regulations in force from time to time.

IV. Miscellaneous

1. Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Articles of Association of the Company and /or the Companies Act, 2013 or Rules made thereunder.
2. In case of any doubt, ambiguity, dispute or difference arise out of the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Committee, if formed, otherwise board and the decision of such Committee/ Board in such case shall be final.
3. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

4. This Policy shall come into force on the date it is approved by the Board of the Company i.e. with effect from November 12, 2022.

VI. Policy Review and Amendments

1. Company's Board will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness.
2. Company reserves the right to vary and/or amend the terms of this Policy from time to time.

VII. Disclosures

The Policy shall be disclosed on the website of the Company i.e. at www.integraessentia.com.

VIII. Disclaimer

1. The Policy only represents a general guidance regarding Board Diversity policy. The statement of the Policy does not in any way restrict the right of the Board/Committee to use its discretion in the recommendation.
2. Given the aforementioned uncertainties, prospective or present investors are cautioned not to place undue reliance on any of the forward- looking statements in the Policy.
