



## **POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**



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*(Last amended on August 05, 2025)*

### **1. Preamble & Objective**

In terms of Regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), every listed company is required to formulate a Policy for determining Material Subsidiary ('**Policy**').

Accordingly, the Board of Directors have adopted this Policy for determining the Material Subsidiary of the Company and to provide its governance framework.

### **2. Definitions**

- a) '**Company**' means Lupin Limited.
- b) '**Material Subsidiary**' shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.
- c) '**Material Unlisted Subsidiary**' shall mean a Material Subsidiary, whether incorporated in India or not, and not listed on any of the Stock Exchanges in India or overseas.
- d) '**Subsidiary**' means a subsidiary defined under section 2(87) of the Companies Act 2013.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the SEBI Listing Regulations shall have the same meaning respectively assigned to them therein.

### **3. Governance framework of Material Subsidiary**

1. The Company shall appoint at least one Independent Director of the Company on the Board of Directors of the Material Unlisted Subsidiary.

*For the purpose of this clause, the term "Material Subsidiary" means a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net-worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.*

2. The Company shall not without prior approval of Members by way of a Special Resolution:

- a. Dispose of the shares in its Material Subsidiary which result in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 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 or under a resolution plan duly approved under the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved; or
  - b. Sell, dispose and lease assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during a financial year unless 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 the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
3. All Material Unlisted Subsidiaries of the Company, incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the Company.
4. All other compliances as applicable with respect to Material Subsidiary shall be in accordance with the provisions of the SEBI Listing Regulations and other applicable law, if any, for the time being in force.

#### **4. Disclosure**

This Policy shall be uploaded on website of the Company.

#### **5. Review**

This Policy is framed based on the provisions of the SEBI Listing Regulations. In the event of any inconsistency between the provisions of this Policy and of the SEBI Listing Regulations or any other statutory enactments, the provisions of such SEBI Listing Regulations or statutory enactments shall prevail over this Policy. Any subsequent amendment/modification in the SEBI Listing Regulations and/or other applicable laws in this regard shall mutatis mutandis apply to /prevail upon this Policy.

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