

**BLS INTERNATIONAL SERVICES LIMITED**

**POLICY FOR DETERMINING MATERIAL  
SUBSIDIARIES**

[Last amended on February 11, 2025]



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## **1. Introduction**

The Board of Directors of BLS INTERNATIONAL SERVICES LIMITED (the “Company”) has formulated policy and procedures with regard to determination of material subsidiary (ies).

## **2. Title**

This Policy shall be called “**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES.**”

This Policy will be applicable to the Company with effect from 1st December, 2015 in terms of Clause 16 (c) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

## **3. Objective**

The objective of this Policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

The Policy is framed in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).

## **4. Definitions**

- a) “**Board of Directors**” or “**Board**” means the Board of Directors of BLS International Services Limited, as constituted from time to time
- b) “**Company**” shall mean BLS International Services Limited;
- c) “**Policy**” means this Policy, as amended from time to time;
- d) “**Subsidiary**” shall mean a subsidiary as defined under the Companies Act, 2013 and Rules made thereunder.
- e) “**Material Subsidiary**” as defined under Clause 16(1)(c), shall mean a Material Subsidiary which is incorporated in India and whose Turnover or Net Worth (i.e. paid-up capital and free reserves) exceeds 10 per cent of the consolidated Turnover or Net Worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- f) “**Material Unlisted Indian Subsidiary**” shall mean an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds ten percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- g) “**Audit Committee**” means Audit Committee constituted by the Board of Directors of the Company, from time to time, under provisions of SEBI’s LODR Regulations, 2015 and the Companies Act, 2013.
- h) “**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 unlisted subsidiary for the immediately preceding accounting year.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder from time to time, the Listing Agreement, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

**5. Applicability**

This policy will be applicable on the all the Material Subsidiaries of the company satisfying the criteria as defined above..

**6. Governance Framework:**

- a) The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the subsidiary Company.
- b) The minutes of the Board meetings of the subsidiary company shall be placed at the Board Meeting of the company.
- c) The management of the unlisted subsidiary should 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 directors of the Company shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.

Explanation- For the purposes of this provision, notwithstanding anything to the contrary contained in regulation 16 of the Listing Regulations, the term "material subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

- e) The Company's material unlisted subsidiaries incorporated in India shall undertake secretarial audit given by a peer reviewed Company Secretary in practice and shall annex the secretarial audit report with the annual report of the company.

**7. Disposal of Material Subsidiary:**

The Company shall not:

- a) dispose of the 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 divestment is made under a scheme or arrangement duly approved by a Court/Tribunal.
- b) sell, dispose off and lease assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year without 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.

Nothing contained in this sub-regulation shall be applicable if such sale, disposal or lease of assets is between two wholly owned subsidiaries of the Company.

**8. Limitation and Amendment:**

In case of any subsequent changes in the provisions of the Act or rules framed thereunder or Listing Regulations or any other regulations made by a statutory authority, which makes any of the provisions in the Policy inconsistent with the Act or applicable Regulations, then the provisions of the Act or applicable Regulations or rules made thereunder would prevail over this Policy and the provisions in this Policy would be modified in due course to make it consistent with the law.

**9. Disclosure:**

As prescribed under Regulation 46 (1) of the SEBI's LODR Regulations, this policy shall be disclosed on the company's website [www.blsinternational.com](http://www.blsinternational.com)