

POLICY ON MATERIAL SUBSIDIARY

Introduction :-

The Board of Directors (the “Board”) of 52 Weeks Entertainment Limited (the “Company”) has adopted the following policy and procedures with regard to determination of Material Subsidiaries as defined below. The Board of Directors of the Company may amend, suspend or rescind this policy at any time in line with applicable rules and regulation. Any difficulties or ambiguities in the Policy will be resolved by the Board of Directors of the Company. This Policy has been framed in terms of SEBI(LODR)Regulations,2015 .

Purpose :-

The purpose of this policy is to determine the Material Subsidiaries of 52 Weeks Entertainment Limited and to provide the governance framework for such subsidiaries.

Definitions :-

“Board of Directors” or “Board” means the Board of Directors of 52 Weeks Entertainment Limited, as constituted from time to time.

“Audit Committee” means Audit Committee constituted by the Board of Directors of the Company, from time to time, under provisions of SEBI(LODR)Regulations,2015 with the Stock Exchanges and The Companies Act, 2013.

“Company” means a company incorporated under the Companies Act, 2013 or under any previous company law.

“Independent Director” means a director of the Company, other than a managing director or whole time director or nominee director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Companies Act, 2013 and the SEBI(LODR)Regulations,2015 with the Stock Exchanges.

“Policy” means Policy on Material Subsidiary.

“Material Non Listed Indian Subsidiary” shall mean a Material Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges.

“Net Worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write – back of depreciation and amalgamation.

“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.

“Subsidiary” shall be as defined under the Companies Act, 2013 and the Rules made thereunder.

Policy : -

“Material Subsidiary” shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, incorporated in India.

The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company on an annual basis.

The minutes of the Board Meetings of the Unlisted Subsidiary Companies shall be placed before the Board of the Directors of the listed Company.

The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the listed entity, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

Disposal of Material Subsidiary:-

The Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent 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.

Further 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 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.

Disclosures : -

The Policy for determining material subsidiaries is to be disclosed to the Stock Exchanges and in the Annual Report of the Company, as per the provisions of laws in force. The policy shall also be uploaded on the website of the Company at www.52weeksentertainment.com.