

POLICY ON MATERIAL SUBSIDIARY

PREAMBLE

This policy is formed to determine the Material Subsidiaries of the Company & as a part of Corporate Governance Framework as per the requirement of Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DEFINITIONS

“Company” shall mean “8K Miles Software Services Limited”

“Audit Committee” means Committee of Board of Directors of the Company constituted under provisions of Listing Agreement and the Companies Act, 2013.

“Subsidiary” shall mean a Subsidiary as defined under Section 2(87) of the Companies Act, 2013.

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

“Unlisted Material Subsidiary” shall mean a Material Subsidiary that is unlisted in India.

“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.

“Independent Director” means a director of the Company, not being a whole time 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 Listing Agreement with the Stock Exchanges.

POLICY & PROCEDURES

The Audit Committee of the Company shall, at the meeting held every year for considering the audited annual financial statements, review the financial parameters of each of its Subsidiaries to determine whether they are a material subsidiary or not. After review the committee can make suitable recommendations to the board.

The Committee shall review in particular, the investments made by the unlisted subsidiary company.

The minutes of the Board meetings of the Unlisted Subsidiary Company shall be placed at the Board meeting of the Company at regular intervals.

One Independent Director of the Company shall be a director on the board of the Material Non-Listed Indian Subsidiary.

The Board shall be provided with a statement of all significant transactions and arrangements entered into by the Unlisted Subsidiary Company

In case the subsidiary is determined as the material subsidiary of the company:

1. The Company shall not dispose of 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 such divestment is made under a scheme of arrangement duly approved by a Court / Tribunal.

2. The Company shall obtain prior approval of the Members by way of special resolution for the sale, disposal and lease of assets which amounts to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year.

However, the said approval will not be required for the sale / disposal / lease made under a scheme of arrangement duly approved by a Court / Tribunal.

DISCLOSURES

This Policy shall be disclosed on the Company website and a web link thereto shall be provided in the Annual Report of the Company.