POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Of

Vision Corporation Limited

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

A. PURPOSE & SCOPE:

Vision Corporation Limited ("the Company") has framed Policy for Determining Material Subsidiary ("Policy") in accordance with the provisions of Regulation 16(1)(c) read with Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Policy will be used to determine the Material Subsidiaries of the Company and to provide the Governance Framework for such Subsidiaries.

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 and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

B. IDENTIFICATION OF 'MATERIAL' SUBSIDIARY:

A subsidiary, whose turnover or net worth exceeds ten percent (10%) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year shall be considered a 'material subsidiary'.

C. GOVERNANCE FRAMEWORK:

1. The Audit Committee of the Company shall periodically review the financial statements, in particular, the investments made by the Unlisted Subsidiary.

2. The Minutes of the Board Meetings of the Unlisted Subsidiary shall be placed at the meeting of the Board of Directors of the Company.

3. The management of the unlisted subsidiary 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.

   A transaction or arrangement shall be considered significant if it exceeds or is likely to exceed ten percent (10%) of 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.

4. At least one Independent Director of the Company shall be a director on the Board of the unlisted material subsidiary, whether incorporated in India or not.

   For the purposes of this provision, notwithstanding anything to the contrary contained in Clause B above, the term "material subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds twenty percent (20%) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

5. The Company shall obtain prior approval of shareholders by way of Special Resolution, if the disposal of shares in its Material Subsidiary (either on its own or together with other subsidiaries) results in reduction of its shareholding, to less than fifty percent (50%) or the Company ceases the exercise of control over such subsidiary;

Such approval shall not be required if the disinvestment is:

- under a scheme of arrangement duly approved by a Court/Tribunal, or
- under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

6. The Company shall obtain prior approval of shareholders by way of Special Resolution, if any sale, disposal and leasing of assets amounting to more than twenty percent (20%) of the assets of the material subsidiary on an aggregate basis during a financial year;

   Such approval shall not be required, if such sale, disposal, lease of assets is:

   - under a scheme of arrangement duly approved by a Court/Tribunal, or
   - under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

7. As per Regulation 24A of the Listing Regulations, every Material Unlisted Subsidiary incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and the Secretarial Audit Report shall be annexed with the Annual Report of the Company.

D. <u>REVIEW:</u>

This Policy shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments.

E. <u>WEBSITE:</u>

This Policy shall be disclosed on the website of the Company.