

**BENTLEY COMMERCIAL ENTERPRISES LIMITED  
POLICY FOR DETERMINING MATERIAL SUBSIDIARY  
(Effective from November 6, 2025)**

## POLICY FOR DETERMINING MATERIAL SUBSIDIARY

### 1. Purpose and Scope

- 1.1. This policy for determining material subsidiary(ies) (“**Policy**”) of Bentley Commercial Enterprises Limited (“**Company**”) has been adopted pursuant to the provisions of Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).
- 1.2. This Policy is to be used for determination of material subsidiary(ies) of the Company, whether listed or unlisted (“**Material Subsidiary(ies)**”). The Policy provides for the governance framework of such Material Subsidiaries, in accordance with the Listing Regulations.

### 2. Definitions

- 2.1. All the words and expressions used in this Policy, unless defined hereunder, are to have the meanings respectively assigned to them under the Listing Regulations and, in the absence of a definition or explanation therein, as per the meanings assigned under the Companies Act, 2013 and the rules, notifications and circulars made/ issued thereunder.
- 2.2. For the purposes of this Policy, the following terms shall have the meanings assigned hereunder:
  - (a) “**Subsidiary**” shall mean a company in which the Company:
    - (i) controls the composition of the board of directors; or
    - (ii) exercises or controls more than one-half of the total voting power either on its own or together with one or more of its Subsidiary(ies).

Provided that, for the purposes of this paragraph:

- (i) a company shall be deemed to be a Subsidiary of the Company even if the control referred to in sub-paragraph (i) or sub-paragraph (ii) above is of another subsidiary company of the Company;
  - (ii) the composition of a company's board of directors shall be deemed to be controlled by another company if that other company, by exercise of some power exercisable by it at its discretion, can appoint or remove all or a majority of the directors; and
  - (iii) the expression "company" includes any body corporate.
- (b) "**Material Subsidiary**" shall mean a Subsidiary of the Company whose income or net worth exceeds 10% (ten per cent) of the consolidated income or net worth, respectively, of the Company and its Subsidiaries in the immediately preceding accounting year unless otherwise provided in paragraph 3.1 of this Policy.
- (c) "**Unlisted Subsidiary**" shall mean a Subsidiary of the Company whose shares or securities are not listed on any recognized stock exchange.

### 3. Governance framework

- 3.1. At least one independent director of the Company shall be a director on the board of directors of an Unlisted Subsidiary (whether incorporated in India or not) which qualifies as a Material Subsidiary. Provided that, solely for the purposes of this paragraph 3.1, the term "**Material Subsidiary**" means a Subsidiary of the Company, whose income or net worth exceeds 20% (twenty per cent) of the consolidated income or net worth, respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.
- 3.2. The audit committee of the Company shall review the financial statements of the Subsidiaries of the Company, in particular the investments made by the Unlisted Subsidiaries of the Company.
- 3.3. The minutes of the meetings of the board of directors of the Unlisted Subsidiaries are to be placed at the meeting of board of

directors of the Company at regular intervals.

- 3.4. The management of the Unlisted Subsidiaries shall be required to periodically bring to the notice of the board of directors of the Company a statement of all significant transactions and arrangements entered into by the Unlisted Subsidiaries. For the purposes of this paragraph 3.4, a transaction or arrangement is to be considered significant if it exceeds or is likely to exceed 10% (ten per cent) 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.
- 3.5. The Company shall not dispose of the shares in a Material Subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) in the Material Subsidiary to less than or equal to 50% (fifty per cent) of the share capital of the Material Subsidiary or cease to exercise control over the Material Subsidiary without passing a special resolution in a general meeting of the Company. However, such approval of the shareholders of the Company will not be required if the disinvestment is being made pursuant to:
- (a) a scheme of arrangement duly approved by a court/ tribunal; or
  - (b) a resolution plan duly approved under Section 31 of the Insolvency and Bankruptcy Code, 2016 (“**Insolvency Code**”),
- and if such event is disclosed to the recognized stock exchanges within 1 (one) day of such resolution plan being approved.
- 3.6. The Company shall obtain prior approval of the shareholders by a way of a special resolution for selling, disposing and leasing of assets amounting to more than 20% (twenty per cent) of the assets of a Material Subsidiary, on an aggregate basis during a financial year. However, such approval of the shareholders will not be required if the sale/ disposal/ lease is made pursuant to:
- (a) a scheme of arrangement duly approved by court/tribunal; or

(b) a resolution plan duly approved under Section 31 of the Insolvency Code,

and if such an event is disclosed to the recognized stock exchanges within 1 (one) day of such resolution plan being approved.

Every unlisted Material Subsidiary, incorporated in India, shall undertake a secretarial audit and the secretarial audit report shall be annexed with the annual report of the Company.

#### **4. Disclosures**

4.1. The Company shall disclose this Policy, as required under the Listing Regulations, on its website and provide a weblink where the Policy is disclosed in its annual report.

#### **5. Amendment and review**

5.1. This Policy will be subject to review as may be deemed necessary by the Board and as required under applicable law. In the event of any conflict between the terms of this Policy and applicable law (including the Listing Regulations), the provisions of applicable law shall prevail.