

POLICY ON MATERIAL SUBSIDIARIES

1. Preamble the following shall be the Policy on determining material subsidiaries of Arvee Laboratories (India) Limited ('Company'), as approved by the Company's Board of Directors. This Policy is subject to the Board's review and changes, as may be appropriate, from time to time in conformity with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Regulations) as amended from time to time.

2. Purpose The purpose of this Policy is to determine the material subsidiaries of the Company.

3. Definitions

a) "Audit Committee" means the Audit Committee of Board of Directors of the Company;

b) "Board" means the collective body of the Directors of the Company;

c) "Material Subsidiary" means a subsidiary of the Company whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

d) "Significant Transaction or Arrangement" means any individual transaction or arrangement that exceeds or is likely to exceed ten percent of the total revenues or total expenses or total assets or total liabilities, as the case may be of the Material Subsidiary for the immediately preceding accounting year;

e) "Subsidiary" means a company as defined under Section 2(87) of the Companies Act, 2013 and the Rules thereunder from time to time;

f) "Policy" means this Policy on Material Subsidiaries.

4. Policy

(a) The Board of Directors shall determine the number of directors including Independent Director on the Board of Directors of unlisted Material Subsidiary.

For the purposes of this clause, notwithstanding anything to the contrary contained in the Regulations and the Policy, the term "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year

Without the prior approval of the shareholders of the Company by means of a resolution as prescribed under applicable laws/regulations, the Company shall not:

1) dispose of shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease to exercise control over the Material Subsidiary, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court or 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;

2) sell/dispose/lease assets amounting to more than twenty percent of the assets of the Material Subsidiary on an aggregate basis during a financial year, unless the sale/disposal/lease is made under a scheme or arrangement duly approved by a Court or 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.

(c) Material unlisted subsidiary (ies) incorporated in India shall undertake a secretarial audit and annex with its annual report, a secretarial audit report, given by a company secretary in practice.

Where the Company has a listed subsidiary, which is itself a holding company, the provisions of this policy shall also apply to the listed subsidiary in so far as its subsidiaries are concerned.

5. Disclosure

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

Criteria for making payment to Non- Executive Directors of Arvee Laboratories (India) Limited

The Board and the Company has undergone significant changes over a period of time and as a measure of Corporate Governance it is necessary to make the policy for payment to the Non-Executive Directors (hereinafter referred to as “NED”).

As per Regulation 46 (2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 listed entity shall disseminate following information on the website of the Company:

Criteria of making payments to non-executive directors.

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

Sitting Fee:

Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, Equity Listing Agreement or other applicable law or for any other purpose whatsoever as may be decided by the Board;

Commission:

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other. Further, the section also states that where the company has either managing director or whole-time director or manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the NEDs is the net profit of the Company.

Currently the Company is not paying Commission to its NEDs.

Professional Fees

Under the Companies Act, 2013, Section 197 allows a Company to pay remuneration to its NEDs for services rendered by any such Director if:

- a) The services rendered are of Professional nature;
- b) In the opinion of Nomination and Remuneration Committee the Director possess the requisite qualification for the practice of the profession.

As per the provision of Section 188 of the Companies Act, 2013, the Audit Committee and the Board of Directors of the Company shall approve the Professional fees to be

paid to Non-Executive Director(s), and with the approval of the Shareholders where ever required.

Reimbursement of actual expenses incurred:

NEDs may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings or for Company's work.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

Payment to independent directors:

An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related commission up to a certain percentage of net profits in such proportion, as may be permissible under the applicable law.

SUCCESSION POLICY

Introduction:

Regulation 17(4) & Schedule II(D)(A)(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require **Arvee Laboratories (India) Limited** (The Company) to put in place this Policy and display the same on its Website. Keeping in view of that the Company has to draw this policy for panning of succession of directors and Senior Managerial persons for uninterrupted business functions at different areas of operations.

Background and Objectives

Succession is an essential component to the survival and growth of any business. Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession planning program aims to identify high growth individuals, train them and feed the pipelines with talents.

The Company recognizes importance of the process of Succession Planning, which provides continuity and smooth functioning. Moreover, there are few positions in the Company, which are key to its continued growth and hence, it is important, these positions are manned by skilled and best possible incumbents and that such positions whenever fall vacant are filled well in time to avoid any leadership gaps.

Applicability

This Policy for succession planning is applicable to following personnel.

Whole-time Directors and other Directors;

Senior Managerial Positions:

Key Managerial Personnel

General Manager and above

Succession Plan for Board of Directors

As far as Succession Plan for the Board of Directors is concerned the Nomination Committee of the Board, shall apply due diligence process to determine competency of person(s) being considered for appointment or re-appointment as a Director of the Company. This shall be based on his educational qualification, experience and record of accomplishment and every such person shall meet 'fit and proper' criteria, as the Company may stipulate from time to time. Accordingly, any appointment or re-

appointment of a Director shall be subject to prior approval by Nomination Committee of the Company.

The Company has framed a 'Nomination and Remuneration Policy' to guide the Board in relation to appointment / re-appointment / removal of Directors, to devise criteria for performance evaluation of Independent Directors and the Board has to ensure adequate diversity in the Board members to get the best of the varied skills on the industry with experience, background and other qualities of the Director.

Accordingly, the appointment / re-appointment / removal and tenure of the Directors including the Chairman / Managing Director / Whole-time Directors of the company shall be governed by the provisions of 'Nomination and Remuneration Policy' of the Company approved by the Board.

Succession Plan for Senior Managerial Personnel

The Nomination and Remuneration Committee of Arvee Laboratories (India) Limited shall consider the list of senior managerial personnel due for retirement / attrition within the year. The Committee shall also consider the new vacancies that may arise because of business needs / up-gradation of Department(s) or expansion of level of business. Considering the above, the Committee shall assess the availability of suitable candidates for the Company's future succession, growth and development. Further, based on the recommendation of Whole-time Directors, all Key Managerial Persons, Head of Departments and others concerned,

The Nomination and Remuneration Committee, shall evaluate the incumbent after considering all relevant criteria like experience, age, health, leadership quality etc. and recommend to the Board of Directors whether the concerned individual be granted an extension in term / service or be replaced with an identified internal or external candidates shall Identify the competency requirements of Directors / Key position Employee, assess potential candidates, and develop required competency through planned development and learning initiatives. The Committee may utilize the services of professional search firms to assist in identifying and evaluating potential candidates, may recommend to the Board to appoint other suitable external candidate(s) as special recruitment in senior managerial level based on job roles and competency in order to provide a continuous flow of talented people to meet the organizational needs.

The recommendation of the Nomination and Remuneration Committee shall be placed to the Board for final approval. While making its recommendation, the Nomination and

Remuneration Committee shall consult with the Chairman Cum Managing Director, as may be relevant and all key factors including the available talent within the organization and the need to ensure availability of continuous service with growth of the Company shall be carefully considered.

The Managing Director and Head-Human Resources shall from time to time identify high-potential employees who merit faster career progression to position of higher responsibility and formulate, administer, monitor & review the process of skill development and identify the training requirements.

Appointment of Key Managerial Personnel such as Company Secretary, Chief Financial Officer and other Compliance Professionals shall be made in compliance with and conforming applicable provisions of relevant laws.

Review of the Policy

In case of any amendment(s), clarification(s), circular(s) etc. issued by relevant authorities, not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail and this Policy shall stand amended to that extent.

The Board of Directors of the Company has the power to replace and or amend this Policy on recommendation by the Nomination and Remuneration Committee from time to time as and when needed.

ARVEE LABORATORIES (INDIA) LIMITED

Policy on materiality and dealing with Related Party Transactions

Preamble

This policy is framed as per the Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Interpretation

Any terms used herein shall have the same meaning as defined in the Companies Act, 2013 or Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) or Listing Regulations amended from time to time.

Meaning of Material Related Party Transaction

Any transaction with a related party shall be considered material if the transaction /transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the

Company as per the last audited financial statements or such limits as may be prescribed either in Companies Act, 2013 or the Listing regulations, whichever is stricter, from time to time.

Approval of Related Party Transactions

(A) Every contract or arrangement with related party shall not be entered without the approval of the Audit Committee

(B) Prior approval of Board or members, as applicable under Companies Act 2013 and Rules made thereunder or Listing Regulations, shall be required for any contract or arrangement with related party which is not in the ordinary course of business or at arm's length.

(C) No Director shall vote on the resolution in which such Director or member or his relative is interested.

(D) All material contract or arrangement with related party shall be approved by means of resolution as prescribed under the Companies Act, 2013 and no Director or members shall vote on the resolution in which such Director or member or his relative is interested.

Review

The Board of Directors, subject to applicable laws, is entitled to amend, suspend or rescind this Policy at any time in line with the Companies Act, 2013, and / or Listing Regulations.

ARVEE LABORATORIES (INDIA) LIMITED

MATERIALITY OF EVENTS POLICY

PREAMBLE

This Policy is framed as per the Regulation 30(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

POLICY

The Company has framed this Policy for determination of materiality of an event or information for making disclosures to the Stock Exchange, which has been approved by its Board of Directors of the Company.

Disclosure of events or information shall be made to Stock Exchange in following manner:

- i. The Company shall make disclosure of events specified in Para A of Part A of Schedule III of the Listing Regulations and as may be amended from time to time.
- ii. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations and as may be amended from time to time, based on the criteria specified in Regulation 30(4)(i) of the Listing Regulations.
- iii. Any other information / event, which may have material effect on the Company, in the opinion of the Board of Directors.

Review

The Board of Directors of the Company, subject to applicable laws, is entitled to amend, suspend or rescind this Policy at any time in line with the Listing Regulations.

Pursuant to Regulation 30(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, below is authorized Key Managerial Personnel (KMP) of the Company, along with their contact details, for the purpose of determining materiality of an event/information and for the purpose of making disclosures to the Stock Exchanges from time to time

ARVEE LABORATORIES (INDIA) LIMITED

ARCHIVAL POLICY

PREAMBLE

This Policy is framed as per the Regulations 30(8) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

POLICY

The Company has framed this Policy to host on its website for a period of five years all events or information, which has been disclosed to the Stock Exchanges. Thereafter, the same would be retained on the website of the Company at the discretion of the Managing Director of the Company.

Review

The Board of Directors of the Company, subject to applicable laws, is entitled to amend, suspend or rescind this Policy at any time in line with the Listing Regulations.