

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

1. PREAMBLE

The Board of Directors (the "Board") of Mahaveer Infoway Limited (the "Company"), has adopted the following policy and procedures and disclosures with regard to Material Subsidiaries.

The Board of Directors will review and may amend this policy from time to time.

This policy will be applicable to the Company. This policy is formulated to identify the material subsidiaries, disclosures pertaining to subsidiaries to the Board of Directors and Audit Committee as required under Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

2. PURPOSE

This policy is framed as per Regulation 46 read with Regulation 24 and 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and is intended to determine the material subsidiaries, disclosure of significant transactions or arrangement of the material unlisted subsidiaries, policy towards disposal of shares held in the material subsidiary and review of financial, particularly the investments made by all the unlisted subsidiary companies.

3. DEFINITIONS

"Audit Committee or Committee" means Committee of Board of Directors of the Company;

"Board" means Board of Directors of the Company;

"Material non-listed Indian Subsidiary" shall mean an unlisted subsidiary, incorporated in India, whose income or Networth (i.e. Paid-up capital and free reserves) exceeds 20% of the Consolidated income or Networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year;

"Policy" means Policy For Determining Material Subsidiaries;

"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 " means a subsidiary as defined in Section 2 (87) of the Companies Act, 2013.

4. APPOINTMENT OF INDEPENDENT DIRECTORS ON THE BOARD OF SUBSIDIARY COMPANY.

The Company shall appoint at-least one independent Director on its Board as a Director on the Board of Directors of a material non-listed Indian Subsidiary.

5. REVIEW BY AUDIT COMMITTEE :

The Company shall place before the Audit Committee on a quarterly basis the summary of the financial statements of the Subsidiary Company. The detailed audited financial statements of the subsidiary shall be placed before the Audit Committee at the end of each financial year. The Audit Committee of the Company shall review all investments made by the unlisted subsidiary company on a quarterly basis. The Audit Committee shall recommend to the Board its concerns, if any about the investments made by the unlisted subsidiary companies.

6. REVIEW BY THE BOARD OF DIRECTORS :

The minutes of the Board Meetings of the unlisted subsidiary company shall be placed at the Board meeting of the company on a quarterly basis. The Management shall bring to the attention of the Board all significant transactions and arrangements entered into by the unlisted subsidiary company on a quarterly basis and the information shall be part of the agenda of every board meeting held for approving quarterly/annual financial results.

7. MATERIAL SUBSIDIARY :

The management shall consider a subsidiary as Material if the Income or Net Worth exceeds 20% (twenty percent) of the consolidated Income or Net Worth respectively as per the audited Balance Sheet of the previous Financial Year.

8. DISCLOSURES:

The Company shall disclose the policy for determining Material Subsidiaries on the Company's website and a web-link thereto shall be provided in the Annual Report.

9. AMENDMENTS:

The Board of Directors will review the above Policy from time to time and make suitable modifications, as may be necessary.

*This policy is approved in the Board of Directors' Meeting Held on 30/05/2016.