POLICY ON MATERIAL SUBSIDIARIES

PURPOSE OF THIS POLICY:

FLI-HI MARITIME TRAVELS LIMITED ("Company") is governed amongst others by the rules and regulations framed by Securities Exchange Board of India ("SEBI"). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations") lays out regulatory requirements for material subsidiary companies.

The Board of Directors (the "Board") of the Company has adopted the policy and procedures for determining 'material' subsidiary companies ("Policy") in accordance with the provisions of Regulation 16(1)(c) of the Listing Regulations.

This 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 ("Act") and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

POLICY ON MATERIAL SUBSIDIARIES:

1. The Audit Committee will review the policy periodically and may amend the same from time to time, as may be deemed necessary

2. The minutes of the Board meetings of the Unlisted Subsidiary companies shall be placed at the Board Meeting of the Company.

3. At least one independent director on the Board of Directors of the Company shall be a director on the Board of Directors of unlisted Material Subsidiary, whether incorporated in India or not

"Material subsidiary" shall mean a subsidiary, if the income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its

subsidiaries as per the audited financial statements of the immediately preceding financial year.

4. The management of the Unlisted Subsidiary shall quarterly bring to the notice of the Board of the Company, a statement of all Significant Transaction(s) and Arrangement entered into by the Unlisted Subsidiary/ies.

5. The Audit Committee of the company shall review the financial statements, in particular, the investments made by the unlisted subsidiary company, on an annual basis

AMENDMENTS:

The Board may, subject to applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, as it may deem necessary. The Board may also establish further rules and procedures, from time to time, to give effect to this Policy and to ensure the objective of good corporate governance.

SCOPE AND LIMITATIONS:

In the event of any conflict between the provisions of this Policy and of the Act or Regulations or any other statutory enactments, rules, the provisions of such Act or Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

DISCLOSURES:

The Policy for determining material subsidiaries is to be disclosed to the Stock Exchanges and in the Annual Report of the Company, as per the provisions of laws in force. The policy shall also be uploaded on the website of the Company.

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