



AARVI ENCON LIMITED

POLICY ON DETERMINING MATERIAL SUBSIDIARIES*

The Company presently having three wholly owned subsidiary Companies viz. Aarvi Engineering & Consultants Private Limited, Aarvi Encon FZE (Limited Liability Free Zone Establishment) at United Arab Emirate (UAE) and Aarvi Encon Resources Limited at United Kingdom (UK).

As per Regulation 16 (1)(c) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Considering the aforesaid material subsidiary regulation, the wholly owned subsidiary Companies of the Company does not have net-worth or turnover more than 10% of the consolidated income or net worth of Holding Company (Aarvi Encon Limited). Hence as required under the Regulation, the said Companies will not be termed as material subsidiaries of the Company.

*Note: Last amended on 14.11.17.