

**POLICY OF INDIA CEMENTS CAPITAL LIMITED ON**  
**MATERIAL SUBSIDIARY**

**PREAMBLE**

This policy is framed in terms of Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. India Cements Capital Limited has one 'material' non listed Indian subsidiary namely India Cements Investments Services Limited (ICISL).

**OBJECTIVE**

The Objective of this Policy is to determine the "Material Subsidiaries of the Company" and to provide the Governance Framework for such Subsidiaries

**DEFINITIONS**

1. **"Audit Committee"** shall mean a Committee of Board of Directors of the Company constituted under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. **"Board"** shall mean the Board of Directors of the Company.
3. **"Material Subsidiary"** shall mean a Subsidiary, whose income or networth exceeds 10% of the consolidated income or networth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

4. **“Unlisted Material Subsidiary”** shall mean an unlisted Subsidiary, whether incorporated in India or not, 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 and whose securities are not listed on any recognized stock exchanges.
5. **“Policy”** shall mean Policy on Subsidiaries.
6. **“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 unlisted Subsidiary for the immediately preceding accounting year.
7. **“Subsidiary(ies)”** shall mean Subsidiary of the Company as defined under the Companies Act, 2013.
8. **“Unlisted Subsidiary”** means Subsidiary whose securities are not listed on any recognized Stock Exchanges.

## **POLICY AND PROCEDURES**

- a) At least one Independent Director of the Company shall be a Director on the Board of an unlisted material Subsidiary.

- b) The Audit Committee shall review the financial statements, in particular, the investments made by the unlisted Subsidiary Company.
- c) The minutes of the meetings of the Board of Directors of the unlisted Subsidiary shall be placed at the meeting of the Board of Directors of the Company.
- d) The management of the unlisted Subsidiary shall periodically bring to the notice of the Board of Directors of the Company, a statement of all significant transactions or arrangements entered into by the unlisted Subsidiary.
- e) The Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal.
- f) Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

## **GENERAL**

This Policy will be subject to any revision / amendment in compliance with any regulatory requirements.

In the event of any conflict between this Policy and the Regulations, the Regulations shall prevail.

This Policy (as amended from time to time) shall be disclosed on the Company's website: [www.iccaps.com](http://www.iccaps.com).

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