



INDOSTAR

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

VERSION CONTROL

Version Control Number	Author	Date Created / updated	Date Effective	Version Description
V1	Jitendra Bhati VP – Compliance & Secretarial	5 February 2018	Upon listing of Equity Shares	--
V2	Jitendra Bhati SVP – Compliance & Secretarial	2 February 2019	01 April 2019	To align the Policy with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 dated 9 May 2018

INTRODUCTION AND OBJECTIVE

In terms of Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), every company which has listed its specified securities is required to formulate a policy for determining its material subsidiaries.

The Board of Directors of the Company have adopted this “Policy for Determining Material Subsidiary” (**Policy**), for determining material subsidiaries of the Company in terms of the Regulations.

The Policy shall be published on the website of the Company.

IDENTIFICATION OF MATERIAL SUBSIDIARY

A subsidiary shall be considered as a “Material Subsidiary” if its income or net worth exceeds ten percent of the consolidated income or net worth of the Company and its subsidiaries respectively, in the immediately preceding accounting year.

CORPORATE GOVERNANCE REQUIREMENTS WITH RESPECT TO SUBSIDIARY COMPANY(IES)

The Company shall ensure compliance with the corporate governance requirements prescribed in the Regulations for subsidiary company(ies), including material subsidiary(ies), if any.

Notwithstanding anything mentioned to the contrary, the corporate governance provision with respect to appointment of at least one independent director of the Company on the board of directors of an unlisted Material Subsidiary, whether incorporated in India or not, shall be adhered to only by that Material Subsidiary whose income or net worth exceeds twenty percent of the consolidated income or net worth of the Company and its subsidiaries, respectively in the immediately preceding accounting year.

REVIEW OF POLICY

This Policy shall be reviewed as and when considered necessary by the Board.