

HEMADRI CEMENTS LIMITED

**POLICY ON MATERIAL
SUBSIDIARIES**

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[Under Regulation 16(c) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)]

OBJECTIVE:

Under Regulation 16(c) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to formulate a Policy for determining "Material Subsidiaries". Accordingly, this policy is formulated in compliance of the said regulation.

POLICY:

- * Company shall mean "Hemadri Cements Limited."
- * "Subsidiary" shall mean a Subsidiary as defined under Section 2(87) of the Companies Act, 2013.
- * "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds Ten percent of the consolidated income or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.
- * "Unlisted Material Subsidiary" shall mean a Material Subsidiary that is unlisted in India.
- * The Audit Committee of the Company shall, at the meeting held every year for considering the audited annual financial statements, review the financial parameters of each of its Subsidiaries to determine whether they are a material subsidiary or not. Based on the review, the Audit Committee may recommend to the Board the Compliances to be in place with respect to each of such material Subsidiaries.
- * Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other relevant legislation / law applicable to the Company.
