

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

PREAMBLE

As per Clause 49 of listing Agreement with the Stock Exchanges, all listed companies are required to formulate a policy for determining material subsidiaries. This policy has been framed for complying with the above requirement.

DEFINITION

Board of Directors or **Board** means the Board of Directors of C&C Constructions Ltd., as constituted from time to time.

Company means C&C Constructions Limited.

Independent Director means a director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.

Subsidiary shall mean a subsidiary as defined under the Act and Rules made there under.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

Material Subsidiary - A subsidiary shall be considered as **Material** if-

- the investment of the Company in the subsidiary exceeds twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year; or
- the subsidiary has generated twenty per cent of the consolidated income of the Company during the previous financial year.

Material Non Listed Indian Subsidiary shall mean a Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges and whose:

- net worth exceeds 20% of the consolidated net worth of the Company as per the audited balance sheet of the previous financial year; or
- income exceeds 20% of the consolidated income of the Company as per the audited balance sheet of the previous financial year.

REQUIREMENT REGARDING MATERIAL SUBSIDIARY

A list of Material Subsidiaries shall be presented to the Audit Committee annually for its noting.

The Company, without passing a special resolution in its General Meeting, shall not:-

- dispose of shares in the material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or
- dispose of shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- sell, dispose or lease the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year,

Unless in cases where the divestment/ sale/ disposal/ lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

REQUIREMENT REGARDING MATERIAL NON-LISTED INDIAN SUBSIDIARY

A list of Material Non-Listed Indian Subsidiaries shall be presented to the Audit Committee annually for its noting.

At least one Independent Director on the Board of the Company shall be a Director on the Board of the material non-listed Indian subsidiary company.

AMENDMENTS

The Board of Directors of the Company 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, based on the recommendations of the Audit Committee.

The Board may based on the recommendations of the Audit Committee also establish further rules and procedures, from time to time, to give effect to this Policy and to ensure governance of material subsidiary companies.

SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

DISSEMINATION OF POLICY

This policy shall be disclosed on website of the Company and a web link thereto shall be provided in the annual report of the Company.