



**INDIA GLYCOLS LIMITED**

**(CIN: L24111UR1983PLC009097)**

**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

**INTRODUCTION**

As per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any amendments thereof), the Company is required to formulate a policy for determining ‘material’ subsidiary of the Company.

This policy shall be called Policy for determining material subsidiaries and aims to determine Material Subsidiary (ies) of India Glycols Limited (“Company”).

**DEFINITIONS & INTERPRETATIONS**

**Definitions:**

“Board of Directors” means the Board of the Company.

“Subsidiary” shall mean a subsidiary as defined under the Companies Act, 2013 (“the Act”) and Rules made thereunder and as may be amended from time to time.

“Material Subsidiary” shall mean a subsidiary whose:

- a. Net worth exceeds 10% of Company’s consolidated net worth in the immediately preceding accounting year; or
- b. Turnover exceeds 10% of the Company’s consolidated turnover in the immediately preceding accounting year.

**Interpretations:**

In this document, unless the contrary intention appears:

- a. The singular includes the plural and vice versa;



- b. Any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders;
- c. Terms that have not been defined in this Code shall have the same meaning assigned to them in the Act, SEBI Listing Regulations and/or any other SEBI Regulation(s) as amended from time to time.

## **GOVERNANCE FRAMEWORK**

- (1) At least one Independent Director on the Board of Directors of the Company shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not.

However, for the purpose of this provision, the term “material subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

- (2) 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 or under a resolution plan duly approved under section 31 of the Insolvency Code.
- (3) 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, or under a resolution plan duly approved under section 31 of the



Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Nothing contained in this para shall be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the listed entity.

- (4) Each of the Company's material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified.

## **DISCLOSURE**

The Policy shall be disclosed on the website of the Company at [www.indiaglycols.com](http://www.indiaglycols.com) and a weblink thereto shall be provided in the Annual Report of the Company.

## **ADMINISTRATION AND REVIEW OF THE POLICY**

In any circumstance where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule, regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the said law, rule, regulation or standard.

The Board shall review and amend this Policy at such intervals as the Board deems appropriate. Any clarification on this Policy may be addressed to the Company Secretary of the Company.

This Policy was last modified on 4<sup>th</sup> February, 2025.