



Clix Capital Services Private Limited

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

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Policy Contact: Company Secretary	



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I. PREAMBLE:

The Board of Directors (the “Board”) of **Clix Capital Services Private Limited** (the “Company”), has adopted the following policy and procedures with regard to determination of material subsidiaries (defined below) in terms of requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) and subsequent amendments thereto.

II. OBJECTIVE / PURPOSE:

The objective of this Policy is to determine Material Subsidiary of the Company and to provide the governance framework for such subsidiary, as required under SEBI LODR, covering the following:

- i) meaning of “Material Subsidiary”;
- ii) requirement of Independent Director in certain Unlisted Material Subsidiaries;
- iii) restriction on disposal of shares of a Material Subsidiary;
- iv) restriction on transfer of assets of a Material Subsidiary;
- v) secretarial audit by Material Unlisted Subsidiaries incorporated in India; and
- vi) disclosure requirements as prescribed under the SEBI LODR

This Policy shall be effective from the date of approval by the Board and thereafter, the amendments shall be effective upon approval by the Board.

III. DEFINITIONS:

- (i) “**Act**” means Companies Act, 2013 and rules made thereunder, as amended.
- (ii) “**Audit Committee or Committee**” means Committee of Board of Directors of the Company constituted under provisions of Companies Act, 2013.
- (iii) “**Board**” means the Board of Directors of the Company.
- (iv) “**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 Schedule IV of the Companies Act, 2013 and the LODR.
- (v) “**Material Subsidiary**” means a subsidiary, whose turnover or net worth (i.e. paid up share capital and free reserves) exceeds ten percent (10%) of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- (vi) “**SEBI LODR**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the circulars issued thereunder and amendments thereto.
- (vii) “**Subsidiary**” means a subsidiary as defined under the Act and Rules made there under.

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IV. THE POLICY:

- Board of Directors – At least one independent director on the board of directors of the listed entity, being the Company, shall be a director on the board of directors of an unlisted material subsidiary, incorporated in India or not.
- Secretarial Audit – The Company and its material unlisted subsidiary 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.
- Significant Transactions – The management shall periodically bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the Material Non Listed Subsidiary Company.
- Restrictions on disposal of shares – 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 (50%) 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 and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
- Selling, disposing and leasing of assets – The Company shall not sell, dispose or lease assets amounting to more than twenty percent (20%) of the assets of a Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders of the Company 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.

V. DISCLOSURES:

As required under the SEBI LODR, this Policy shall be disclosed on the Company's website and the web link thereto shall be provided in the Annual Report.

VI. REVIEW OF POLICY:

This Policy shall come into effect from April 1, 2024. Further, it shall be subject to review as and when deemed necessary or in accordance with any regulatory amendments, which affects the said policy. Any amendment/ modification or change in the Policy shall be subject to the approval of Board of Directors of the Company.

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