



## **POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

### **A. PURPOSE OF THIS POLICY:**

Semac Consultants Limited (Formerly Semac Consultants Limited) (“Company”) is governed amongst others by the rules and regulations framed by Securities Exchange Board of India (“SEBI”). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“Listing Regulations”) lays out regulatory requirements for material subsidiaries of listed companies. The purpose of this Policy is determination of Material Subsidiaries and disclosure thereof as required under the Listing Regulations. The Board of Directors (“Board”) of the Company has adopted this policy for determining material subsidiaries of the Company (“Policy”) in accordance with the provisions of Regulation 16(1)(c) of the Listing Regulations. All the compliance requirements relating to material subsidiaries shall be followed by the Company, as legally required. The Policy also intends to ensure governance of Material Subsidiary companies by complying with directorship requirements, review of financial statements, bringing to the attention of the Board certain transactions/arrangements, rules regarding disinvestment of shares held by the Company and restrictions on selling/ disposing/ leasing of assets of such subsidiaries by the Company and making disclosures about specific events occurring in material subsidiaries.

### **B. OBJECTIVE OF THE POLICY**

The objective of this Policy is to

- a. determine who are the Company’s Material Subsidiary(ies)
- b. requirement of Independent Director in certain unlisted material subsidiaries, incorporated in India or not
- c. Restriction on disposal of shares of Material Subsidiary by the Company
- d. Restriction on transfer of assets of Material Subsidiary and e. disclosure requirements, under the Listing Regulations, as amended, and any other laws and regulations as may be applicable to the Company.

### **C. CRITERIA:**

A subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year shall be considered a ‘material subsidiary’.

### **D. INDEPENDENT DIRECTOR ON THE BOARD OF MATERIAL UNLISTED SUBSIDIARY INCORPORATED IN INDIA OR OVERSEAS.**

At least one Independent Director on the Board of the Company shall be a director on the board of the unlisted Material Subsidiary, whether incorporated in India or overseas. Material Subsidiary, here, shall mean a subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

### **E. SIGNIFICANT TRANSACTIONS/ARRANGEMENTS OF UNLISTED SUBSIDIARY COMPANIES.**

The management should periodically submit to the Board a statement of all Significant Transactions and Arrangements entered into by the unlisted Subsidiary company.

### **F. RESTRICTION ON DISPOSAL OF SHARES IN MATERIAL SUBSIDIARY BY THE COMPANY.**

The Company shall not dispose off shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent [50%] or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in such cases



where 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.

#### **G. RESTRICTION ON DISPOSAL OF ASSETS OF MATERIAL SUBSIDIARY**

Selling, disposing and leasing of assets amounting to more than twenty percent [20%] 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. However, these provisions shall not be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the Company.

#### **H. DISCLOSURES:**

The Company shall disclose in its Board's report, details of this Policy as required under the Listing Regulations. This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the annual report. Further, details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries shall also be disclosed in the annual report.

#### **I. LIMITATION, REVIEW AND AMENDMENT**

In the event of any conflict between the provisions of this Policy and of the Listing Regulations or any other applicable legal requirement ("Applicable Law"), the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy. The Board may review and amend this Policy from time to time, as may be deemed necessary.

Amended and effective 01st April 2025

For and on behalf of

Semac Construction Limited,

**For Semac Construction Limited**

  
**Aakriti Gupta**  
Company Secretary

Aakriti Gupta

Company Secretary and Compliance Officer