

**POLICY ON MATERIAL
SUBSIDIARIES**



**MEDI ASSIST HEALTHCARE
SERVICES LIMITED**

www.mediassist.in

1. Introduction

The Board of Directors (the “**Board**”) of Medi Assist Healthcare Services Limited (the “**Company**”) has adopted the following policy and procedures with regard to determination of Material Subsidiaries (*defined below*). The Board may review and amend this policy from time to time.

2. Policy Objective

To determine the Material Subsidiaries of Medi Assist Healthcare Services Limited and to provide the governance framework for such subsidiaries.

3. The Policy for determining ‘Material’ Subsidiaries has been framed in accordance with Regulation 16(1)(c) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”). The Policy will be used for determining material subsidiaries and to provide governance framework for such subsidiaries. The words and expression used in this policy shall have the same meaning as assigned to them under the Companies Act, 2013, rules and regulations made there under and the [Listing Regulations]

4. Definitions

“**Audit Committee**” or “**Committee**” means Audit Committee constituted by the Board of the Company, from time to time under provisions of the Listing Regulations, Reserve Bank of India Act, 1934 and/or the Companies Act, 2013.

“**Board of Directors**” or “**Board**” means the Board of Directors of Medi Assist Healthcare Services Limited, as constituted from time to time.

“**Company**” means a company incorporated under the Companies Act, 2013 or under any other act prior to or after Companies Act, 2013.

“**Material Subsidiary**” shall mean a subsidiary whose turnover or net worth exceeds 10 per cent of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding financial year.

“**Policy**” means Policy on Material Subsidiary(ies).

“**Significant Transaction or Arrangement**” shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be of the unlisted subsidiary for the immediately preceding accounting year.

“**Subsidiary**” shall be as defined under the Companies Act, 2013 and the Rules made thereunder.

“Unlisted Subsidiary” shall mean a subsidiary whose securities are not listed on any recognized Stock exchanges.

5. Policy and Procedures

- i. At least one independent director on the Board of the Company shall be a director on the board of directors of an unlisted material subsidiary company, whether incorporated in India or not. For this requirement, 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.
- ii. The Audit Committee of the Board of the Company shall review the financial statements, in particular, the investments made by the Unlisted Subsidiary company on a quarterly basis.
- iii. The minutes of the Board meeting of the Unlisted Subsidiary companies shall be placed before the Board of the Company.
- iv. The Management shall periodically bring to the attention of the Board of the Company, a statement of all Significant Transactions and Arrangements entered into by the material unlisted subsidiary company.
- v. The decisions taken by the Board of the Unlisted Subsidiary Companies as mentioned in Schedule I of the policy shall be subject to the approval by the Board of Company. In the event of any conflict or inconsistency between the policy and any specific Regulations applicable to the Unlisted Subsidiary Companies (e.g. the IRDAI Third Party Administrators Regulations), the provisions of the Regulations shall prevail.
- vi. The Company shall disclose all events or information with respect to its Subsidiaries which are material for the Company as per Regulation 30(9) of the Listing Regulations.

6. Secretarial Audit of Material Unlisted Subsidiaries Incorporated in India

All material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a peer reviewed Company Secretary in practice in the prescribed format.

7. Disposal of Material Subsidiary

The Company shall not:

- i. The Company shall not dispose of 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 and Bankruptcy Code, 2016 and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

- ii. 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 and Bankruptcy Code, 2016 and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
- iii. Nothing contained in sub clause (ii) shall be applicable for sale , disposal and lease of assets is between 2 two wholly owned subsidiary company of listed Company

8. Policy Review

This Policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications. Any subsequent amendment / modification in the Listing Regulations, Companies Act, 2013 and/or applicable laws in this regard shall automatically apply to this Policy.

This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the annual report.

SCHEDULE I

1. Approval of Annual Business Plan (at a Group level).
2. Creation of any encumbrance on any of the securities of the Unlisted Subsidiary Company.
3. Borrowings including creation of any encumbrance on any of the Assets & Properties of the Unlisted Subsidiary Company.
4. Transfer of any securities of any subsidiary or joint venture of the Unlisted Subsidiary Company more than 10 %.
5. Merger, demerger, sale of the Unlisted Subsidiary Company or its assets or any kind of corporate restructuring or any change in the capital structure Unlisted Subsidiary.
6. Transfer of substantial assets or any kind of corporate restructuring of Unlisted Subsidiary Company.
7. Appointment or termination of statutory auditors or change in the accounting or revenue recognition practices.
8. Appointment or termination of appointment of internal auditors.
9. Amendment of the Memorandum or Articles of Association of Unlisted Subsidiary Company.
10. Extension of any loan to any Third Party except loans to full time employees as per the policy which are over and above INR 2,00,000 (Rupees Two Lakhs only) per employee, under the normal course of business.
11. Related Party transactions; save and except for any inter se transactions between the Company and Unlisted Subsidiary Company.
12. Appointment of Key Managerial personnel and fixing their remuneration, (in accordance with the recommendations of the Nomination & Remuneration Committee of the Company).

Version approved by: The Board of Directors of Medi Assist

Version approved on: May 08, 2021

Effective Date: May 08, 2021

Last Modified on: Feb 05, 2025