

**POLICY FOR**  
**DETERMINING**  
**MATERIAL SUBSIDIARIES**

## 1. INTRODUCTION

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") the Board of Directors ("Board") of CCL International Limited ("Company") has adopted the following policy with respect to the determination of Material Subsidiaries.

## 2. POLICY OBJECTIVE

The objective of this policy is to lay down criteria for identification and dealing with Material Subsidiaries.

## 3. DEFINITIONS

- i. **"Act"** means Companies Act, 2013.
- ii. **"Audit Committee"** means "Audit Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- iii. **"Board of Directors" or "Board"** means the "Board of Directors" of CCL International Limited, as constituted from time to time.
- iv. **"Company"** means CCL International Limited.
- v. **"Designated Securities"** means specified securities, non-convertible debt securities, non-convertible redeemable preference shares, perpetual debt instrument, perpetual non-cumulative preference shares, Indian depository receipts, securitised debt instruments, units issued by mutual funds and any other securities as may be specified by the Board
- vi. **"Independent Director"** means a Director of the Company, not being a Managing or Whole-Time Director or a Nominee Director and who is neither a

Promoter nor belongs to the Promoter Group of the Company and who satisfies the criteria of independence as prescribed under the provisions of the Companies Act 2013 (including the rules prescribed thereunder) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

- vii. "Listed Entity"** means an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognised stock exchange(s)
- viii. "Material Subsidiary"** means a subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth respectively of the holding listed entity & its subsidiaries in the immediately preceding accounting year.
- ix. "Policy"** means this Policy, as amended from time to time.
- x. "Subsidiary"** shall mean a subsidiary as defined under the Act and the rules made thereunder.

#### **4. PROVISIONS WITH REGARD TO MATERIAL SUBSIDIARY COMPANIES**

- a. At least one independent director on the Board of Directors of the Listed Entity shall be a director on the Board of Directors of an unlisted Material Subsidiary, incorporated in India;
- b. The Audit Committee shall on an annual basis, as and when basis review the list of all subsidiary companies of the Company for determining/considering their materiality, as defined herein, and make suitable recommendations;
- c. 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 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;

- d. The Company shall not sell, dispose and lease of assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during a financial year without passing special resolution in its General Meeting unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court / Tribunal.

## **5. REVIEW OF STATUS**

The Audit Committee in its first meeting of every financial year shall review the status of its subsidiaries to identify whether any subsidiary is required to be treated as a material subsidiary or any material subsidiary ceases to be as such. The details of such review shall be disclosed to the Board for taking necessary action

## **6. AMENDMENT(S)**

The Board may review or amend this policy, in whole or in part, from time to time, based on the recommendations of the Audit Committee and as per the requirements of the Act or Regulations or guidelines and any such other enactments/rules as may be applicable.

## **7. DISCLOSURES**

The Policy shall be disclosed on the Company's website and a weblink thereto shall also be provided in the Annual Report of the Company.

## **8. INTERPRETATION**

In the event of any conflict between the provisions of this Policy and the Act or Regulations or any such other statutory enactments/ rules, as applicable shall prevail over this Policy.