

# MARDIA SAMYOUNG CAPILLARY TUBES COMPANY LIMITED

## POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Applies to	MARDIA SAMYOUNG CAPILLARY TUBES COMPANY LIMITED
Modified Date	January 01, 2026
Issuing Authority	Board of Directors of the Company
Content Owner	Secretarial

## **POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

(Pursuant to Clause 16(c) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015)

### **1. INTRODUCTION**

The Securities market regulator- Securities and Exchange Board of India (SEBI) has put in place Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as "Listing Regulations") requires the listed entity to formulate a policy for determining Material Subsidiary.

In Compliance with the aforesaid provisions of Listing Regulations, Mardia Samyoung Capillary Tubes Company Limited (the, "Company") has formulated and adopted the Policy on Material Subsidiaries.

### **2. TITLES G APPLICABILITY**

This policy shall be called "Policy for determining material subsidiaries".

The Company had an existing policy in place, which has been revised and updated with effect from January 1, 2025, pursuant to Clause 16(c) of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### **3. DEFINITIONS**

"Act" shall mean the Companies Act, 2013 as may be amended from time to time together with the rules framed thereunder.

"Audit Committee or Committee" means "Audit Committee" constituted by the Board of Directors of the Company, from time to time, under provisions of Listing Agreement with the Stock Exchanges and the Act.

"Board of Director" or "Board" means the Board of Directors of the Company, as constituted from time to time.

"Company" means Mardia Samyoung Capillary Tubes Company Limited.

"Control" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

"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 the Act and the Listing Agreement with the Stock Exchanges.

"Policy" means Policy on Material Subsidiaries.

"Material Subsidiary" shall mean a subsidiary, whose turnover or net worth exceeds ten percent (10%) of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

"Material Unlisted Indian Subsidiary" shall mean a Material Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges.

“Significant Transaction or Arrangement” shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent 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 there under.

#### 4. POLICY

- I. A Subsidiary shall be a Material Subsidiary, if any of the following conditions are satisfied:
  - A. the net worth of the subsidiary, exceeds 10 per cent of the consolidated net worth of Company and its subsidiaries in the immediately preceding accounting year; or
  - B. if the turnover of the subsidiary exceeds 10 per cent of the consolidated turnover of Company and its Subsidiaries in the immediately preceding accounting year.
- II. At least One Independent Director of the Company shall be a director on the Board of every unlisted material subsidiary, whether incorporated in India or not.

For the purpose of this clause, 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 listed entity and its subsidiaries in the immediately preceding accounting year.

- III. The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by every Material Unlisted Subsidiary Company on an annual basis.
- IV. The minutes of the meetings of the Board of Directors of unlisted subsidiary shall be placed before the Board of the Company periodically.
- V. The management of the unlisted subsidiary 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 Unlisted Subsidiary.

Explanation.- For the purpose of this regulation, the term “significant transaction or arrangement” shall mean any individual transaction or arrangement that exceeds or is likely to exceed **ten percent** 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

- VI. The management shall present to the Audit Committee annually, the list of subsidiaries together with the details of the materiality defined herein. The Audit Committee shall review the same and make suitable recommendations to the Board including recommendation for appointment of Independent Director in the Material Unlisted Indian Subsidiary.

## **5. DISPOSAL OF MATERIAL SUBSIDIARY**

The Company, without the prior approval of the members by Special Resolution, shall not:

- I. dispose of shares in any Material Subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than or equal to 50% or which would result in the cessation of the exercise of control by the Company over the Subsidiary, 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 ; or
- II. sell, dispose or lease the assets amounting to more than twenty percent of the assets of the Material Subsidiary on an aggregate basis during a financial year, 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.
- III. Nothing contained herein above in this clause 5, shall be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the listed entity.

## **6. SECRETARIAL AUDIT**

Every material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the Company.

## **7. DISCLOSURES**

As prescribed under Regulation 46 (1) of SEBI (Listing Obligations and Disclosers Requirements) Regulations, 2015 this policy shall be disclosed on the company's website <https://mardiasygltd.com/> and a web link thereto shall be provided in the Annual Report of the Company.

## **8. LIMITATION AND AMENDMENT**

In the event of any conflict between the provisions of this Policy and of the Act or SEBI (LODR) Regulations, 2015 or any other statutory enactments, rules, the provisions of such Act or Listing Agreement or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment/ modification in the SEBI (LODR) Regulations, 2015, Act and/or applicable laws in this regard shall automatically apply to this Policy.

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