

GIC HOUSING FINANCE LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

(Pursuant to Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Approved by Board of Directors on	31 ST March, 2022
Last Reviewed on	17 th May, 2023
Last Amended on	**

I. PURPOSE

The Policy for determining material subsidiary companies has been framed in accordance with the provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR Regulations") as amended from time to time. The Policy will be used to determine the Material Subsidiaries of the Company.

II. CRITERIA FOR DETERMINING MATERIAL SUBSIDIARY

A subsidiary of the Company shall be considered 'Material' if the income or net worth of the subsidiary company exceeds 10% of the consolidated income or net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year.

III. REQUIREMENT REGARDING MATERIAL SUBSIDIARY

The Company, without passing a special resolution in its General Meeting, shall not:

- i. dispose shares in the material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% or
- ii. dispose shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- iii. sell, dispose or lease the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year, unless in cases where the divestment/ sale/ disposal/ lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

The board of directors of listed entity shall periodically review a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

Here, Significant transaction / arrangement shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of total revenue or total expenses or total assets or total liabilities as the case may be of the unlisted subsidiary for the immediately preceding accounting year.

IV. ADDITIONAL REQUIREMENT FOR MATERIAL UN-LISTED SUBSIDIARY.

At least one Independent Director on the Board of the Company shall be a Director on the Board of the material Un-listed subsidiary company.

For the purposes of this requirement, "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year."

V. DISCLOSURE

This Policy shall be disclosed on the website of the Company.

VI. REVIEW / AMENDMENT

The Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the applicable provisions of the Listing Regulations and amendment(s) thereto notified by the Securities and Exchange Board of India and/or Stock Exchanges, from time to time. However, amendments in the Listing Regulations shall be binding even if not incorporated in this Policy. The Policy shall be reviewed once in 2 years or at earlier intervals as may be deemed necessary.
