



Sammaan Capital Limited

(Formerly known as Indiabulls Housing Finance Limited)

Policy for Determining “Material” Subsidiary Companies

[As per Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SCOPE AND PURPOSE OF THE POLICY

The Regulation 16(1)(c) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”) requires the company to formulate a policy for determining “material” subsidiaries.

OBJECTIVE

Sammaan Capital Limited (Formerly known as Indiabulls Housing Finance Limited) (the “Company”), has adopted the following policy (the “policy”) for determining “material” subsidiaries, which has been framed as per the requirement of Regulation 16(1)(c) of the SEBI (LODR) Regulations.

The objective of this policy and procedure is to fix the threshold for determining “material” subsidiaries and applicable guiding principles.

THRESHOLD FOR DETERMINING ‘MATERIAL’ SUBSIDIARIES

A subsidiary shall be considered as material if the net worth of the subsidiary exceeds ten per cent of the consolidated net worth as per the audited consolidated balance sheet of the previous accounting year or if the subsidiary has generated ten per cent of the consolidated income of the Company during the previous accounting year as per the audited consolidated financial statements of the Company.

GUIDING PRINCIPLES

1. The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary company.
2. The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the Company.
3. The management of unlisted subsidiary company should 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 company.

The term “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.

4. 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 50% or cease the exercise of control over the subsidiary without its shareholders’ approval except in cases as mentioned in Regulation 24 of SEBI (LODR) Regulations.
5. Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary shall require its shareholders’ approval except in cases as mentioned in Regulation 24 of SEBI (LODR) Regulations.
6. At least one independent director on the Board of Directors of the Company shall be a director on the Board of Directors of a material non-listed subsidiary company, whether incorporated in India or not.

DISCLOSURES

As mandated under SEBI (LODR) Regulations, the Company shall disclose this policy on its website and a web link thereto shall be provided in its Annual Report.

POLICY REVIEW

This policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to SEBI (LODR) Regulations or any other applicable law or as otherwise prescribed by the Board from time to time.

In the event of any conflict between the provisions of this Policy and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.
