

GRAPHITE INDIA LIMITED

Policy for determining ‘material’ subsidiary

1. “Material” subsidiary shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the company and its subsidiaries in the immediately preceding accounting year.
2. 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.
3. Selling, disposing and leasing of assets amounting to more than 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.

*(Policy was approved by Board of Directors of Graphite India Limited in the meeting held on 13.02.2015
Clause 1 amended by the Board of Directors on 18.05.2017)*