AZAD INDIA MOBILITY LIMITED

(Formerly known as Indian Bright Steel Company Limited)

CIN: L29100MH1960PLC011794 | BSE Scrip Code: 504731 | ISIN: INE566M01025

Regd. Office: G-6, 8th Floor, Everest Building, Janata Nagar, Tardeo Road, Tardeo, Haji Ali, Mumbai, Maharashtra - 400034

Tel: +91 99306 48177 | Email: info@azadindiamobility.com, compliance@azadindiamobility.com | Website: www.azadindiamobility.com

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

[Pursuant to Regulation 16(1)(c), Regulation 24, and Regulation 46(2)(h) of the SEBI (LODR) Regulations, 2015]

1. Purpose and Scope

The Board of Directors of Azad India Mobility Limited ('the Company') has adopted this Policy for determining 'Material' Subsidiaries in accordance with Regulation 16(1)(c) and Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Criteria for Determining a 'Material Subsidiary'

A subsidiary of the Company shall be considered as a 'Material Subsidiary' if its turnover or net worth exceeds 10% (ten percent) of the consolidated turnover or net worth respectively, of the listed entity (Azad India Mobility Limited) and its subsidiaries in the immediately preceding accounting year.

3. Governance Requirements Applicable to Material Subsidiaries (Regulation 24)

- **Independent Director Representation:** At least one Independent Director on the Board of Directors of the Company shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. (Explanation: For the purpose of this requirement, the term 'material subsidiary' shall mean a subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year).
- **Restriction on Disposal of Shares:** The Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% (fifty percent) 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 or under a resolution plan duly approved under Section 31 of the Insolvency Code.
- **Restriction on Disposal of Assets:** Selling, disposing, and leasing of assets amounting to more than 20% (twenty percent) 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 or under a resolution plan approved under the Insolvency Code.
- **Secretarial Audit of Material Unlisted Indian Subsidiary:** Every material unlisted subsidiary incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary in Practice, and the Secretarial Audit Report shall be annexed with the Annual Report of the Company pursuant to Regulation 24A.

4. Oversight of Unlisted Subsidiaries

The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary. The minutes of the meetings of the Board of Directors of the unlisted subsidiary shall be placed at the meeting of the Board of Directors of the Company, and the management of the unlisted subsidiary shall periodically bring to the notice of the Board of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.