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**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

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**Effective From** : **October 10, 2019**  
**Last Amended** : **February 5, 2025**

## POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

### 1. INTRODUCTION

The Board of Directors of Artemis Medicare Services Limited (“**the Company**”) has adopted the following policy and procedures with regard to determination of Material Subsidiaries.

This Policy has been adopted by the Board of Directors of the Company at its meeting held on October 10, 2019 and was last amended on February 5, 2025.

### 2. OBJECTIVE

The objective of this Policy is to determine material subsidiaries of the Company and to provide a governance framework for unlisted subsidiaries of the Company.

The Policy is framed in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

### 3. DEFINITIONS

“**Act**” means the Companies Act 2013, along with rules, notifications and circulars made/ issued thereunder, as amended from time to time.

“**Audit Committee**” or “**Committee**” means the Committee of the Board formed under Section 177 of the Act and Regulation 18 of the Listing Regulations.

“**Board of Directors**” or “**Board**” means the Board of Directors of the Company.

“**Holding Company**” in relation to one or more other companies, means a company of which such companies are subsidiary companies.

“**Independent Director**” means a Director of the Company who meets the criteria for independence as specified under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and holds office as an Independent Director of the Company.

“**Subsidiary Company**” or “**Subsidiary**” shall mean a subsidiary as defined under Section 2(87) of the Act.

Words and expressions used but not defined in this Policy shall have the meaning respectively assigned to them under the Listing Regulations, and in the absence of any definition or explanation therein, the meaning as per the Act shall apply.

#### **4. CRITERIA FOR DETERMINING MATERIAL SUBSIDIARY**

A subsidiary shall be considered as Material if:

- the net worth of such subsidiary, exceeds ten percent of the consolidated net worth of the Company and its subsidiaries in the immediately preceding accounting year; or
- the turnover of such subsidiary exceeds ten percent of the consolidated turnover of the Company and its subsidiaries in the immediately preceding accounting year.

#### **5. PROVISION WITH REGARD TO SUBSIDIARY COMPANIES**

5.1 At least one Independent Director on the Board of the Company shall be a Director on the Board of an unlisted material subsidiary company, whether incorporated in India or not.

For the purposes of this clause, notwithstanding anything to the contrary contained in the point no. 4 above, 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 Company and its subsidiaries in the immediately preceding accounting year.

5.2 The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary company.

5.3 The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the Company.

5.4 The management of the unlisted subsidiary company 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 company.

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.

5.5 The unlisted material subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary, and such Secretarial Audit Report, in the form specified by SEBI, shall be annexed to the Company’s annual report.

## **6. DISPOSAL OF MATERIAL SUBSIDIARY**

6.1 The Company shall not:

- dispose of shares in the material subsidiary resulting in reduction of 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 passing a special resolution in its general meeting.
- Sell, dispose of, or lease out assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of special resolution.

6.2 The provisions of above point no. 6.1 shall not be apply in cases where such divestment, sale, disposal, or lease, as the case may be, is made under a scheme of arrangement duly approved by 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.

## **7. DISCLOSURE**

As prescribed under the Listing Regulations, this Policy shall be disclosed on the Company's website. Further, the Company shall also disclose the following in its annual report:

- A web link of the Company' website where the Policy is disclosed; and
- Details of the material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the Statutory Auditors of such subsidiaries.

## **8. AMENDMENTS**

8.1 In case of any changes in the provisions of the Act, the Listing Regulations or any other regulation which are inconsistent with the Policy, such amended provisions would prevail over the Policy.

8.2 The Board shall have the power, subject to applicable laws, to amend any of the provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. The Company Secretary being the Compliance Officer is also authorized to make amendment in this policy, where there is any statutory changes necessitating the amendment in the policy.

8.3 The Board may also establish further rules and procedures, from time to time, to give effect to this Policy and to ensure governance of material subsidiary companies.

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