



FORTCAPS HELTHCARE LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

PURPOSE AND SCOPE

The Policy for determining 'Material' subsidiary companies has been framed in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations.

The Policy will be used to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries.

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the SEBI (LODR) Regulation, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time or any other applicable law, rules or regulations.

MATERIAL SUBSIDIARY

A subsidiary shall be considered as Material Subsidiary if income or net worth of the subsidiary exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

GOVERNANCE FRAMEWORK

- i.** The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- ii.** The minutes of the Board Meetings of the Unlisted Subsidiary Companies shall be placed before the Board of the Company.
- iii.** The management of the unlisted subsidiary 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

DISPOSAL OF MATERIAL SUBSIDIARY

The Company, without the prior approval of the shareholders by Special Resolution, shall not:

- a.** dispose shares in Material Subsidiaries that reduces its shareholding (either on its own or together with other subsidiaries) to less than 50% ; or
- b.** ceases the exercise of control over the Subsidiary except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal



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c. sell, dispose or lease the assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year.

Provided that prior approval of shareholders will not be required if such divestment, sale, disposal or lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

DISCLOSURES

The material subsidiaries policy shall be disclosed on the company's website & a web link thereto shall be provided in the Annual Report.

AMENDMENT

The Company reserves the right to amend or modify this Policy in whole or in part, at any point of time.