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**Park Medi World Limited**  
(Formerly Park Medi World Private Limited)

## **POLICY ON MATERIAL SUBSIDIARIES**

### **1. INTRODUCTION**

The Board of Directors of "PARK MEDI WORLD LIMITED" (the "Company") has adopted this Policy for the determination of Material Subsidiaries. This Policy has been formulated in accordance with Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "Listing Regulations").

The primary objective of this Policy is to establish a framework for identifying Material Subsidiaries of the Company in compliance with the Listing Regulations. It ensures adherence to regulatory requirements while maintaining transparency and effective corporate governance in subsidiary oversight.

### **2. DEFINITIONS**

- a) "**Act**" means Companies Act, 2013 and Rules made thereunder.
- b) "**Audit Committee**" or "**Committee**" means Audit Committee constituted by the Board of Directors of the Company under Section 177 of the Companies Act, 2013 and the provisions of Listing Regulations, as amended from time to time.
- c) "**Board of Directors**" or "**Board**" means the Board of Directors of PARK MEDI WORLD LIMITED, as constituted from time to time.
- d) "**Company**" means PARK MEDI WORLD LIMITED.
- e) "**Control**" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- f) "**Independent Director**" means an Independent Director referred to in Section 149(6) of the Companies Act, 2013, and / or Regulation 16(b) of the Listing Regulations, 2015.
- g) "**Insolvency Code**" means Insolvency Code as defined under Regulation 2(1) (na) of Listing Regulations, as amended from time to time.

- h) **“Management”** means the Senior Management and Key Managerial Personnel of PARK MEDI WORLD LIMITED.
- i) **“Material Subsidiary”** shall mean a subsidiary, whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.
- j) **“Policy”** means policy on determination of Material Subsidiary.
- k) **“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.
- l) **“Subsidiary”** means **subsidiary company** as defined under Section 2(87) of the Companies Act, 2013 and the rules made thereunder.

### 3. GOVERNANCE FRAMEWORK FOR MATERIAL SUBSIDIARIES

#### i. **Review of Financial Statements**

The Audit Committee of the Company shall periodically review the financial statements of unlisted subsidiary companies, with a particular focus on the investments made by such subsidiaries.

#### ii. **Board Meeting Minutes**

The minutes of the Board meetings of unlisted subsidiary companies shall be presented to the Board of Directors of the Company for their review and consideration.

#### iii. **Significant Transactions and Arrangements**

The management of an unlisted subsidiary shall periodically inform the Board of Directors of the Company regarding any significant transactions and arrangements entered into by the subsidiary. A transaction or arrangement shall be deemed significant if it exceeds or is expected to exceed 10% of the total revenues, total expenses, total assets, or total liabilities of the unlisted subsidiary in the immediately preceding financial year.

#### iv. **Independent Director Representation**

At least one Independent Director of the Company shall serve as a director on the Board of an unlisted material subsidiary, whether incorporated in India or elsewhere. For this purpose, a material subsidiary shall mean a subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth, respectively, of the Company and its subsidiaries in the immediately preceding financial year.

#### v. **Shareholding and Control over Material Subsidiaries**

The Company shall obtain prior approval of its shareholders through a special resolution if the disposal of shares in a material subsidiary (either individually or along with other subsidiaries) results in:

- A reduction in the Company's shareholding to below 50%, or
- The Company ceasing to exercise control over such a subsidiary.

However, such shareholder approval shall not be required if the disinvestment is:

- Pursuant to a scheme of arrangement duly approved by a Court/Tribunal, or
- Under a resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016, provided that the event is disclosed to recognized stock exchanges within one day of the resolution plan's approval.

vi. **Sale, Disposal, or Leasing of Material Subsidiary Assets**

The Company shall obtain prior approval of its shareholders through a special resolution for any sale, disposal, or leasing of assets of a material subsidiary if the aggregate value of such transactions during a financial year exceeds 20% of the subsidiary's total assets.

However, such approval shall not be required if the transaction is:

- Pursuant to a scheme of arrangement duly approved by a Court/Tribunal, or
- Under a resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016, provided that the event is disclosed to recognized stock exchanges within one day of the resolution plan's approval.

vii. **Secretarial Audit of Material Unlisted Subsidiaries**

Every material unlisted subsidiary incorporated in India shall conduct a secretarial audit, and the secretarial audit report shall be annexed to the Company's annual report for transparency and compliance purposes.

#### 4. POLICY REVIEW

This Policy shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments.

#### 5. DISCLOSURES

This Policy shall be disclosed on the Company's website [www.parkhospital.in](http://www.parkhospital.in) and a web link thereto shall be disclosed in the Annual Report of the Company.

#### 6. LIMITATION

In the event of any conflict between the provisions of this policy and the SEBI Listing regulations, the Companies Act, 2013, or any other applicable statutory enactments or rules, the provisions of the SEBI Listing regulations, the Companies Act, 2013 or such statutory enactments and rules shall prevail.