



CREST VENTURES LIMITED

CIN: L99999MH1982PLC102697

(Formerly known as Sharyans Resources Limited)

Registered Office: 04th Floor, Kalpataru Heritage, 127, M.G.Road, Fort, Mumbai – 400001

Website: www.crest.co.in, email – secretarial@crest.co.in

Tel No: 022-40512500, Fax No: 022-40512555

**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES
(Effective from 01.10.2014)**

1. INTRODUCTION

The Board of Directors of the Company has adopted the following policy and procedures with regard to determination of Material Subsidiaries as defined below. The Board may review and amend this policy from time to time. This policy will be applicable to the Company effective 01.10.2014

2. OBJECTIVE

The objective of the Policy is to determine material subsidiaries of the Company and to provide a governance framework for such material subsidiaries. The Policy is framed in accordance with the requirements of the Clause 49 of the Listing Agreement (including any amendments thereof). This policy is in terms of Clause 49 of the Listing Agreements with the Stock Exchanges.

3. DEFINITIONS

"Audit committee or committee" means "Audit committee" constituted by the board of directors of the Company, from time to time, under provisions of listing Agreement with the Stock Exchanges and The companies Act, 2013.

"Board of Directors" or **"Board"** means the Board of Directors of Crest Ventures Limited, as constituted from time to time.

"Company" means Crest Ventures Limited.

"Independent Director" means a director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges. (as defined under Section 2 (47) of Companies Act, 2013 read with clause 49(B) (1) of Listing Agreement.

"Policy" means this Policy, as amended from time to time.

"Material Non Listed Indian Subsidiary" shall mean a Material Subsidiary which is incorporated in India and is not listed on Indian Stock Exchange.(As defined in Clause 49(V) of Listing Agreement)



"Subsidiary" shall mean a subsidiary as defined under the Act and Rules made thereunder.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

4. POLICY

A subsidiary shall be a **Material Subsidiary**, if any of the following conditions are satisfied:

- the investment of the Company in the subsidiary exceeds twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year; or
- the subsidiary has generated twenty per cent of the consolidated income of the Company during the previous financial year.

Material Non Listed Indian Subsidiary shall mean a Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges and whose:

- net worth exceeds 20% of the consolidated net worth of the Company as per the audited balance sheet of the previous financial year; or
- income exceeds 20% of the consolidated income of the Company as per the audited balance sheet of the previous financial year.

A list of such Material subsidiaries and Material Non Listed Indian Subsidiaries shall be presented to the Audit Committee annually for its noting.

5. REVIEW

One Independent Director of the company shall be a director on the Board of the Material Non Listed Indian Subsidiary Company.

The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company on an annual basis.

The Minutes of the Board Meetings of the Unlisted Subsidiary Companies shall be placed before the Board of the Company on a half yearly basis.

The management shall on a half yearly basis 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.

6. DISPOSAL OF MATERIAL SUBSIDIARY



The Company, without passing a special resolution in its General Meeting, shall not:-

- dispose shares in the material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or
- dispose shares in the material subsidiary which would cease the exercise of control over the subsidiary or
- sell, dispose or lease the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year,

unless in cases where the divestment/ sale/ disposal/ lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

7. AMENDMENTS

The Board may, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, based on the recommendations of the Audit Committee.

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.

8. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

9. DISSEMINATION OF POLICY

This policy shall be hosted on the intra-net and website of the Company and a web link thereto shall be provided in the annual report of the Company.
