



POLICY FOR DETERMINING “MATERIAL” SUBSIDIARIES OF
CALIBER MINING AND LOGISTICS LIMITED

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INTRODUCTION:

In terms of Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), every listed entity is required to formulate a policy for determining ‘material’ subsidiaries and disclose the same on its website.

Accordingly, the Board of Directors (the “Board”) of Caliber Mining and Logistics Limited (the “Company”) has adopted the following policy for determining material subsidiaries of the Company.

PURPOSE & SCOPE:

The purpose of this Policy is to determine whether a subsidiary of the Company is to be treated as a ‘material subsidiary’ and to lay down the governance requirements applicable in relation to such material subsidiaries, in terms of the SEBI Listing Regulations.

The Policy will be applicable to the Company and its subsidiaries.

DEFINITIONS:

“**Policy**” means this Policy for Determining Material Subsidiaries.

“**Act**” means the Companies Act, 2013, including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time.

“**Audit Committee**” shall mean the Audit Committee of the Board of Directors or such other committee as may be approved by the Board of Directors, from time to time, under the provisions of the Act and the SEBI Listing Regulations.

“**Board**” refers to the Board of Directors of the Company.

“**Company**” refers to Caliber Mining and Logistics Limited.

“**Material Subsidiary**” shall have the meaning ascribed to it in the “POLICY” section below.

“**Subsidiary(s)**” shall mean subsidiaries of the Company as defined under the Act and as per the applicable accounting standards.

Words, terms and expressions used and not defined in this Policy or the SEBI Listing Regulations but defined in the Act shall have the same meaning respectively assigned to them in the Act.

POLICY:

The Company shall consider a Subsidiary as a material subsidiary, whose turnover or net worth exceeds ten percent (10%) of the consolidated turnover or net worth, respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year (hereinafter referred to as “Material Subsidiary”).

The Company shall nominate at least one independent director on the Board of Directors of the Company as a director on the board of directors of the unlisted Material Subsidiary, whether

incorporated in India or not, whose turnover or net worth exceeds twenty percent (20%) of the consolidated turnover or net worth, respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

The Company shall follow such governance procedures in relation to Subsidiaries as may be outlined in the SEBI Listing Regulations and the Act, from time to time.

The Company shall not:

- a. dispose off shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than fifty percent (50%)/ cease the exercise of control over the Material 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 and Bankruptcy Code, 2016, and such an event is disclosed to the recognised stock exchanges within one day of the resolution plan being approved; and
- b. sell, dispose and/or lease assets amounting to more than twenty percent (20%) 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, unless the sale/disposal/lease 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 and Bankruptcy Code, 2016, and such an event is disclosed to the recognised stock exchanges within one day of the resolution plan being approved.

The Management of the Company shall monitor and ensure that, as and when any subsidiary is determined to be a Material Subsidiary, the same shall be intimated to the Audit Committee. The Audit Committee shall review the same and make suitable recommendations to the Board to ensure compliance with the SEBI Listing Regulations in this regard.

AMENDMENT:

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.

SECRETARIAL AUDIT

Every Material Subsidiary incorporated in India shall undertake secretarial audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and copy of the same shall be provided as part of the annual report of the Company. "Secretarial Auditor" and "Peer Reviewed Company Secretary" shall have the same meaning as mentioned specified in the Listing Regulations.