

ION EXCHANGE (INDIA) LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

INTRODUCTION

The Board of Directors of ION EXCHANGE (INDIA) Limited has adopted the following policy and procedures with regard to determination of Material Subsidiaries.

TITLE

This Policy shall be called 'Policy for determining material subsidiaries'.

OBJECTIVE

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

This Policy is pursuant to Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).

Thus, in order to align the definition of "Material Subsidiary" with the definition modified by the SEBI Regulations, the existing Policy for determining Material Subsidiaries is being now revised.

DEFINITIONS

"Board of Directors" or **"Board"** means the Board of Directors of ION EXCHANGE (INDIA) Limited, as constituted from time to time.

"Company" means ION EXCHANGE (INDIA) 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 Regulations.

"Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

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

"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 Regulations, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

POLICY

A subsidiary shall be considered as **Material** if its income or net worth exceeds Ten percent of the consolidated income or net worth respectively of the Company in the immediately preceding accounting year.

Material Non Listed Indian Subsidiary shall mean a Subsidiary which is incorporated in India and is not listed on any of the Indian Stock Exchanges and whose income or net worth exceeds ten percent of the consolidated income or net worth respectively of the Company in the immediately preceding accounting year

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

REQUIREMENT REGARDING MATERIAL NON-LISTED INDIAN SUBSIDIARY

At least one Independent Director on the Board of the Company shall be a Director on the Board of the material non-listed Indian subsidiary company.

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.

SCOPE AND LIMITATION

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

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.