ZINEMA MEDIA AND ENTERTAINMENT LIMITED

CIN: L93190TN1984PLC096136

Registered Office – New Door Number 57, Old Door No.57, Sathya dev Avenue MRC Nagar, Raja Annamalaipuram, Chennai: 600028

Policy For Determining Material Subsidiaries

Last Amended on: May 30, 2026

MEDIA AND ENTERTAINMENT LIMITED

POLICY FOR DETERMINING "MATERIAL" SUBSIDIARIES

1. LEGAL FRAMEWORK

Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), requires a listed company to frame a policy for determining a "material" subsidiary, which shall be hosted on the website of the Company.

The Board of Directors (the "Board") of Zinema Media and Entertainment Limited (the "Company") has adopted the following policy and procedures with regard to determination of "Material Subsidiaries" in order to comply with the requirements of Regulation 16(1)(c) of SEBI Listing Regulations, as may be amended.The Board/ its committee may review this policy from time to time.

2. OBJECTIVE

The objective of this Policy is to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries, as required under SEBI Listing Regulations by complying with requirement of Appointment of Independent Director on Board of Unlisted Material Subsidiaries; Restriction on disposal of shares of a Material Subsidiary, transfer of assets of a Material Subsidiary; Secretarial audit by Material Unlisted Subsidiaries incorporated in India; Disclosure requirements as prescribed under the SEBI Listing Regulations.

3. DEFINITIONS

1. "Act" means Companies Act, 2013 & Rules made thereunder.
2. "Board of Directors" or "Board" means the Board of directors of Zinema Media and Entertainment Limited, as constituted from time to time.
3. "Holding Company" means a holding Company as defined under sub-section (46) of Section 2 of the Companies Act, 2013.
4. "Subsidiary Company" means a subsidiary as defined under sub-section (87) of Section 2 of the Companies Act, 2013.
5. "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds 10 % (Ten percent) of the consolidated income or net worth respectively, of the company and its subsidiaries in the immediately preceding accounting year.
6. "Significant transactions or arrangement": "significant transaction or arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10 % (Ten percent) 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.
7. "Net worth" means net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013;
8. "Audit Committee": Audit Committee means the committee formed under Section 177 of the Act by the Board of the Company, from time to time.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Listing Regulations, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

4. GUIDING PRINCIPLES

This policy shall be governed by the provisions of the Companies Act, 2013, SEBI Listing Regulations, Rules and Regulations made thereunder and all other applicable laws for the time being in force.

5. PROVISIONS WITH REGARD TO SUBSIDIARIES

- The Audit Committee of the Company shall also review the financial statements, in particular the investments made by the unlisted subsidiary company on a quarterly basis;
- The Minutes of the Board Meetings of the Unlisted Subsidiary company shall be placed at the Board Meeting of the Company;
- The Management of the unlisted subsidiary shall periodically bring to the notice of the Board of Directors of the Company, a statement of all significant transactions & arrangements entered into by the unlisted subsidiary company shall be placed before the Board;
  Explanation: - For the purpose of this provisions the term "significant transaction or arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent 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.
- Subsidiary company shall not either by its own or through its nominees, holds any shares in its holding company & no holding company shall allot or transfer its shares to any of its subsidiary companies & any such allotment or transfer of shares of a company to its subsidiary company shall be void.

  Nothing contained in this clause, shall apply to a case:
  - where the subsidiary company holds such shares as the legal representative of a deceased member of the holding company; or
  - where the subsidiary company holds such shares as a trustee; or
  - where the subsidiary company is a shareholder even before it became a subsidiary company of the holding company.

- The Company shall not directly/indirectly purchase its own shares or other specified securities through any subsidiary company including its own subsidiary companies;
- The Company shall include particulars of its subsidiary companies in its annual return;
- The Company shall also attach along statement with its financial, a separate statement containing thesalient features of the financial statement of its subsidiary or subsidiaries;
- The Company shall, along with its financial statements to be filed with the Registrar, attach the accountof its subsidiary or subsidiaries which have been incorporated outside India & which have not established their place of business in India;
- The Company shall place separate audited accounts in respect of each of its subsidiary on its website, if any & shall provide the copy of such audited financial statements to any shareholder of the Company,who asks for it.

6. PROVISIONS WITH REGARD TO MATERIAL SUBSIDIARIES

- At least one Independent Director on the Board of Directors of the listed entity shall be a director on the board of directors of an unlisted material Subsidiary company whether incorporated in India or not.

  For the purpose of this provision, notwithstanding anything to the contrary contained in Regulation 16 of the SEBI Listing Regulations, the term "Material Subsidiary" shall mean a subsidiary, whose Income or Net Worth is exceeds 20% of the consolidated Income or net worth respectively, of the

Company and its Subsidiaries in the immediately preceding accounting year.

- The Company shall not dispose of shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% or cease the exercise of control over the Material Subsidiary without passing a special resolution in its general meeting except in cases where such disinvestment 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 Code and such an event is disclosed to the recognized stock exchanges with one day of the resolution plan being approved;

- The Company shall not sell, dispose & lease of assets amounting to more than 20% of the assets of the Material Subsidiary on an aggregate basis during a financial year without the prior approval of the shareholders by way of passing special resolution in its General Meeting, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by court/tribunal, or under a resolution plan duly approved under Section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges with one day of the resolution plan being approved;

- Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarialaudit and shall annex a secretarial audit report given by a company secretary in practice, in such form as may be specified, with its annual report of the Company.

7. DISCLOSURES

As approved by revised Regulation 46(2)(h) of the SEBI Listing Regulations, this Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the annual report.

8. REVIEW/AMENDMENT/SCOPE/LIMITATION

This policy will be reviewed by the Board of Directors of the Company or by any of its committee (as may be authorized by the Board of Directors in this regard) as they deem necessary. Any change in the Policy shall be approved by the Board of Directors of the Company or its Committee. The Board of Directors or its Committee (as may be authorized by the Board of Directors in this regard) 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, orfrom time to time, and the decision of the Board of Directors in this respect shall be final and binding.

The Company Secretary and / or the Compliance Officer shall ensure the compliance of this Policy and shall have the power to ask for any information or clarifications from the management in this regard.

The Company Secretary and / or the Compliance Officer shall monitor and ensure that as and when any of the subsidiary is determined as 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.

Any subsequent amendment/modification in the Companies Act, SEBI Listing Regulations or the Rules and Regulations framed there under and/or any other laws in this regard shall automatically apply to this Policy.

In the event of any conflict between the provisions of this Policy and the Companies Act, SEBI Listing Regulations or the Rules and Regulations framed there under and/or any other statutory enactments, rules, the provisions of such the Companies Act, SEBI Listing Regulations or the Rules and Regulations framed there under and/or statutory enactments, rules shall prevail over this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

9. COMMUNICATION OF THIS POLICY

This Policy shall be posted on the website of the Company www.zinema.co.in.

For Zinema Media and Entertainment Limited
Sd/-
Director

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