MATERIAL SUBSIDIARIES POLICY

REQUIREMENT:

This Policy is prepared in accordance with the provisions of the Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and is intended to determine material Subsidiary and to ensure governance of material subsidiaries covered under Listing Regulations of '**IDream Film Infrastructure Company Limited**' ("**The Company'**).

DEFINITIONS:

Consolidated Income or Net-worth refers to the total income or Net-worth of the Company and its subsidiaries.

DETERMINATION OF MATERIAL SUBSIDIARY:

Material Subsidiary shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

GOVERNANCE OF MATERIAL SUBSIDIARIES:

a. At least one independent director on the board of directors of the Company shall be a director on the board of directors of an unlisted material subsidiary, incorporated in India.

b. The audit committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.

c. The Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special 21 resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal.

d. Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders of the Company by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

AMENDMENTS:

This policy may be amended by the Board at any time and is subject to amendments in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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