

POLICY FOR DETERMINING MATERIAL SUBSIDIARY OF THE COMPANY

Introduction:

In view of the Regulation 24 of SEBI(LODR) Regulations, 2015, this policy is devised to determine which of the subsidiary Companies of Listed Company will fall under the category of 'material' subsidiary of the Company and accordingly compliance of Regulation 24 of SEBI(LODR) Regulations, 2015 applicable to a material subsidiary Company will be made.

Definition:

Material Subsidiary:

For the purpose of Regulation 24 of SEBI (LODR) Regulations, 2015 a subsidiary of the Company shall be considered as Material Subsidiary if, the investment of the Company in the subsidiary exceeds 20% of consolidated net worth of the Company as per the audited balance sheet of the Company for the previous financial year or if the subsidiary has generated 20% of the consolidated income of the Company during the previous financial year.

Compliance for 'Material' Subsidiary:

- 1) 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 50% or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting.
- 2) The selling, disposing and leasing of assets amounting to more than 20% of the assets of the material subsidiary shall require prior approval of shareholders of the Company by way of special resolution.