

TOYAM INDUSTRIES LIMITED

(Formerly Ojas Asset Reconstruction Company Limited)

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POLICY FOR DETERMINING MATERIAL SUBSIDIARY

INTRODUCTION:

The Board of Directors of Toyam Industries Limited has adopted the following policy and procedures with regard to determination of Material Subsidiaries (if any).

TITLE:

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

OBJECTIVE OF THE POLICY:

This Policy shall be applicable on Toyam Industries Limited (the Company) effective from October 1, 2014. The objective is to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries.

The Policy is framed in accordance with the requirements of the Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DEFINITIONS:

(a) **"Board of Directors" or "Board"** means the Board of Directors of Toyam Industries Limited, as constituted from time to time.

(b) **"Company"** means Toyam Industries Limited

(c) **"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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(d) **"Policy"** means this Policy, as amended from time to time.

(e) **"Subsidiary"** shall mean a subsidiary as defined under the Act and Rules made there under. Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

Material Subsidiary:

A Subsidiary Company shall be considered as a Material Subsidiary, only if any of the following conditions are satisfied:

- Investment of the Company in the Subsidiary Company exceeds 20% of its consolidated net worth as per the audited balance sheet of the previous financial year;

Or

- Subsidiary Company has generated 20% of the consolidated income of the Company during the previous financial year

Material Non-Listed Indian Subsidiary:

Material non-listed Indian Subsidiary Company shall mean a subsidiary incorporated in India whose equity shares are not listed on any stock exchange and whose income or net worth (i.e. paid up capital and free reserve) exceeds 20% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

Compliance in the event a subsidiary is a Material Subsidiary:

- One Independent Director of the Company shall be a director on the Board of the material non-listed Indian Subsidiary Company.
- The management shall on a quarterly basis, place at the Board meeting for information and attention of the Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the Material Subsidiary.

Disclosures:

The Company shall disclose the policy on Material Subsidiaries on its website.