

Damodar Industries Limited

Reg. Off. 19/22 & 27/30, Pandurang Budhkar Marg, Worli, Mumbai – 400 013

Corporate Identity Number: L17110MH1987PLC045575

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POLICY FOR DETERMINING MATERIAL SUBSIDIARY

1. Damodar Industries Ltd. (the Company) is engaged in the manufacture and export of Cotton, Polyester and Polyester Blended Value Added Yarn in India. The Group specializes in manufacturing of Linen like Yarns, Silk like Yarns, Slub Yarns, and Neeps Yarn in 100% Cotton, 100% Polyester, Poly/Viscose and other special Blends.

2. The Board of Directors of Damodar Industries Limited (the “Company”) is obliged to formulate a policy for determining “material subsidiaries” to comply with the requirements of Clause 49 of the Listing Agreement for such material subsidiaries.

In accordance with the Regulation 16(1) (c) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, The Company has formulated this policy for determining material subsidiary of the Company.

3. Accordingly, the Company has formulated and its Board of Directors have approved this policy for setting out the criteria for any of its subsidiaries to be deemed material subsidiaries; and

4. Policy:

- **“Material non-listed Indian subsidiary”** It shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital & free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company & its subsidiaries in the immediately preceding accounting year.
- **“Material Subsidiary”** A subsidiary shall be considered as material if the investment of the company in the subsidiary exceeds 20% of its consolidated net worth as per the audited balance sheet of the previous financial year or if the subsidiary has generated 20% of the consolidated income of the company during the previous financial year.

5. The material subsidiaries policy shall be disclosed on the company’s website & a web link thereto shall be provided in the Annual Report.

6. The words “subsidiary” and “control” used in this policy shall have the same meaning as defined in the Company Act, 2013 or the rules framed there under, the listing agreement, Act, Rules, Regulations framed by the Securities Exchange Board of India or any other legislative/regulation applicable to the Company.

8. As of date there are no material subsidiaries.

9. The Company reserves the right to amend or modify this Policy in whole or in part, at any point of time.

Further, the Board may amend any of the provisions of this Policy as and when it deems fit. Details of amendment:

Amended on	06.11.2015 (Pursuant to the requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)
Amended on	13.02.2019 (Pursuant to amendment in SEBI LODR, Regulations 2015, vide SEBI Circular dated 9.5.2018)