

KEI INDUSTRIES LIMITED

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

Preamble:

In order to adhere the requirement of clause 49(V)(D) of the Listing Agreement, the Board of Directors of the Company has approved and adopted this policy for determining 'material' subsidiaries of the Company (KEI Industries Limited).

Identification of 'Material' Subsidiary

A subsidiary shall be considered as material if:

- a) the investment of the Company in the subsidiary exceeds 20% (twenty per cent) of its consolidated net worth as per the audited balance sheet of the previous financial year or
- b) if the subsidiary has generated 20% (twenty per cent) of the consolidated income of the company during the previous financial year.

Review and Amendment

Any notification(s)/ circular(s) or other statutory guideline(s)/ regulation(s) on the said subject, that has the effect of amending the clause 49(V), shall automatically have the effect of amending this Policy without the need of any further approval by the Board of Directors of the Company.

Further, all the provisions of Listing Agreement governing the said clause shall apply.

Disclosure

As prescribed under revised Clause 49(V)(D) of the Listing Agreement, this Policy shall be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report of the Company.
