



POLICY FOR DETERMINING
MATERIAL SUBSIDIARIES

JUBILANT AGRI AND CONSUMER
PRODUCTS LIMITED



1. PURPOSE

This policy has formulated pursuant to the provisions of Regulation 16 (1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”). This Policy aims to determine Material Subsidiary(ies) of the Company and is titled as the “Policy for Determining Material Subsidiaries”. The Board of Directors (“the Board”) of Jubilant Agri And Consumer Products Limited (“the Company”) has adopted the following policy and the Board may amend this policy from time to time.

This Policy will be used to determine the material subsidiaries and to provide the governance framework for such subsidiaries.

2. CRITERIA FOR DETERMINING “MATERIAL SUBSIDIARY”

A subsidiary of the Company shall be considered ‘Material’ if:

- a. the net worth of the subsidiary exceeds 10% of the consolidated net worth of the Company and its subsidiaries in the immediately preceding accounting year; or
- b. the income of the subsidiary exceeds 10% of the consolidated income of the Company and its subsidiaries in the immediately preceding accounting year.

3. DEFINITIONS

- a) “**Audit Committee or Committee**” means Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.
- b) “**Company**” means Jubilant Agri And Consumer Products Limited.
- c) “**Independent Director**” means an Independent Director referred to in section 149(6) of the Companies Act, 2013, and / or Regulation 16(b) of the Listing Regulations.



- d) **“Policy”** means policy on Material Subsidiaries.
- e) **“Subsidiary”** shall mean a subsidiary as defined under the Companies Act, 2013 and Rules made thereunder.
- f) **“Material Unlisted Indian Subsidiary”** shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- g) **“Unlisted Subsidiary”** means a subsidiary whose securities are not listed on any recognized Stock Exchanges.
- h) **“Significant Transaction or Arrangement”** shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.
- i) **“Net worth”** as defined under Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

All the words and expressions used in this Policy, unless not defined herein, shall have the meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 (“Act”) and the Rules, Notifications, and Circulars made/issued thereunder, as amended, from time to time.

4. DISCLOSURE

This Policy shall be disclosed on the Company’s website <http://jacpl.co.in/> and web link thereto shall be provided in the Annual Report of the Company.



5. REVIEW / AMENDMENT

The Board shall review this Policy periodically.

In case there are any modification(s) / amendment(s) / notification(s) / circulars(s), guidance note(s), informal guidance(s) issued by SEBI / MCA or judgements made by the Tribunal or any Court which has the effect of amendment in the Regulation(s) / Section(s) / Rule(s) made thereunder, the Company Secretary & Compliance Officer is authorized to make amendments/modifications in this policy as to the extent applicable. The amended policy shall be issued and published as necessary without any requirement for approval from the Board of Directors, however it shall be taken note by the Board of Directors in their ensuing Meeting(s).

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over the policy.

6. POLICY AND PROCEDURE

- The Audit Committee shall also review the financial statements, in particular, the investments made by the unlisted subsidiary of the Company.
- The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the Company at regular intervals.
- The Board shall be provided periodically with a statement of all significant transactions and arrangements entered into by the unlisted subsidiary Company.

Explanation.- For the purpose of this para, the term “significant transaction or arrangement” shall mean any individual transaction or arrangement that exceeds or is likely to exceed ten percent of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.

- At least one Independent Director of the Company shall be a director on the board of the unlisted material subsidiary whether incorporated in India or not.
- 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 except in cases where such divestment is made under a scheme of arrangement duly approved by Court/Tribunal or under a resolution plan duly approved under



section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

- 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 by way of special resolution unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

7. EFFECTIVE DATE

This Policy shall come into effect on November 04, 2024.