

**INDO BORAX & CHEMICALS LTD**  
**POLICY FOR DETERMINING**  
**MATERIAL SUBSIDIARY**

**1. Introduction:**

As per regulation 16 (1) (c) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a listed entity is required to formulate a policy for determining material subsidiary of the company.

**2. Purpose:**

This policy is formulated to determine material subsidiary of the company.

**3. Authority:**

The policy for determining material subsidiary has been adopted by the Board of Directors of Indo Borax & Chemicals Ltd at its meeting held on 13<sup>th</sup> February, 2016. Erstwhile consideration of material subsidiary stands replaced by this policy and it is effective from 1<sup>st</sup> December, 2015.

**4. Policy:**

Material subsidiary shall be considered if:

1. Net-worth of the subsidiary exceeds 20% of the consolidated net-worth of the Company in the immediately preceding accounting year OR
2. Income of the subsidiary exceeds 20% of the consolidated income of the company in the immediately preceding accounting year.

**5. Other Requirements:**

At least one Independent Director on the Board of Directors of the company shall be a Director on the Board of Directors of the material subsidiary.

## **6. Review of Policy:**

The policy shall be reviewed as and when required to ensure that it meets the objects of the relevant legislation and remains effective. The Board has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

As per above definition of materiality, presently, there are no material subsidiaries.