



JAY JALARAM TECHNOLOGIES LIMITED

CIN: L32202GJ2012PLC068660

Registered Office: Office No. 103, Shail Mall,
B/h Girish Cold Rink, Shilp Char Rasta, C. G. Road,
Navrangpura, Ahmedabad-380009, Gujarat

Phone No. 079-48995415; **Email:** cs@koremobiles.com

Website: www.koremobiles.com

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

1. PREAMBLE:

As per the requirements of Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company shall formulate a Policy for Determining Material Subsidiary.

Considering the above requirements, the Board of Directors of Jay Jalaram Technologies Limited at its meeting held on 5th September, 2022 has formulated, approved and adopted the Policy for Determining Material Subsidiary and shall be effective from 5th September, 2022. This Policy shall be uploaded on the Company's website www.koremobiles.com

2. DEFINITIONS:

- A.) "Audit Committee"** means a committee constituted by the Board of Directors of the Company, from time to time, under the Listing Regulations and the Companies Act, 2013;
- B.) "Board of Directors" or "Board"** means the Board of Directors of the Company;
- C.) "Company"** means Jay Jalaram Technologies Limited;
- D.) "Control"** shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- E.) "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 as provided under the Companies Act, 2013 and the Listing Regulations;
- F.) "Material Subsidiary"** shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year;

- G.) “**Net Worth**” means net worth as defined in Section 2(57) of the Companies Act, 2013.
- H.) “**SEBI Listing Regulations**” or “**Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) / amendment(s) / re-enactment(s) thereof);
- I.) “**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.
- J.) “**Subsidiary**” shall be as defined under the Companies Act, 2013 and the Rules made thereunder.
- K.) “**Stock Exchange**” means National Stock Exchange of India Limited, where the equity shares of the Company are listed.
- L.) “**The Policy**” or “**This Policy**” means Policy for Determining Material Subsidiary;
- M.) “**Unlisted Material Subsidiary**” means Material Subsidiary which is not listed on stock exchange.

3. PURPOSE OF THIS POLICY:

The purpose of this policy is to determine Material Subsidiary(ies) of the Company and to provide a governance framework for such Material Subsidiary(ies).

4. CORPORATE GOVERNANCE FRAMEWORK FOR MATERIAL SUBSIDIARY(IES) OF THE COMPANY:

- A.) At least one Independent Director on the Board of Directors of the Company shall be a Director on the Board of Directors of an Unlisted Material Subsidiary, whether incorporated in India or not.
Explanation - For the purposes of this provision, notwithstanding anything to the contrary contained in regulation 16 of these regulations, the term “Material Subsidiary” shall mean a Subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the Company and its Subsidiary(ies) in the immediately preceding accounting year.
- B.) The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the Unlisted Material Subsidiary.
- C.) The Minutes of the Meetings of the Board of Directors of the Unlisted Material Subsidiary shall be placed at the Meeting of the Board of Directors of the Company.
- D.) The management of the Unlisted Material Subsidiary shall periodically bring to the notice of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by the Unlisted Material Subsidiary.

5. RESTRICTIONS ON THE DISPOSAL OF SHARES AND ASSETS OF MATERIAL SUBSIDIARY:

A.) A Company shall not dispose of shares in its Material Subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent 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 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.

B.) 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.

6. AMENDMENTS / ALTERATIONS / MODIFICATIONS:

This Policy may be amended / altered / modified, as may deem fit and proper by the Board of Directors of the Company from time to time. Any subsequent amendments / modifications in the SEBI Listing Regulations / the Companies Act, 2013 in this regard, shall automatically apply to this Policy.
