



B. L. KASHYAP AND SONS LIMITED

(CIN: L74899DL1989PLC036148)

Regd. Off.: 409, 4th Floor, DLF Tower-A, Jasola, New Delhi – 110025

Ph: 011-40500300, 011-43058345

Email: info@blkashyap.com; Website: www.blkashyap.com

POLICY ON MATERIAL SUBSIDIARY

Original Policy adopted	Effective from 22.10.2013
First amendment	Effective from 26.05.2023

1. INTRODUCTION

The Board of Directors (the 'Board') of B.L. Kashyap and Sons Limited (the 'Company') has adopted the following policy and procedures with regard to determination of Material Subsidiaries as defined below. The Board may review and amend this policy from time to time.

This Policy is in terms of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI (LODR), 2015]

2. OBJECTIVE:

The objective of the Policy is to determine the Material Subsidiaries of B.L. Kashyap and Sons Limited and to provide the governance framework for such subsidiaries.

3. DEFINITIONS:

"Audit Committee" means "Audit Committee" constituted by the Board of Directors of the Company, from time to time, under provisions of Regulation 18 of LODR, 2015 read with Section 77 of the Companies Act, 2013.

"Board of Directors" or "Board" means the Board of Directors of B.L. Kashyap and Sons Limited, as constituted from time to time.

"Company" means B.L. Kashyap and Sons Limited.

"Independent Director" means a director of the Company, not being in whole time employment and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and SEBI (LODR), 2015.

"Policy" means Policy on Material Subsidiary.

"Significant Transaction or Arrangement" means 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.

"Subsidiary Company" shall mean a subsidiary as defined under the Companies Act, 2013 and rules made thereunder.

4. POLICY:

1. A subsidiary shall be a Material Subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting.
2. At least One Independent Director of the company shall be a Director on the Board of the unlisted Material Subsidiary.

“For the purpose of this sub clause, material subsidiary shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.”

The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary.

3. The Minutes of the meetings of the Board of Directors of the unlisted Subsidiary shall be placed before the Board of the Company on a quarterly basis.
4. The management shall periodically bring to the attention of the Board of Directors of the company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary.

5. Disposal of Material subsidiary

The company, without the prior approval of the shareholders by special resolution, shall not:

- a. dispose shares in its Material Subsidiary that reduces its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the Subsidiary 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. sell, dispose or lease the assets amounting to more than twenty per cent of the assets of the material subsidiary on an aggregate basis during a financial year unless the sell/ 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. DISCLOSURE:

This Policy on determining Material Subsidiary shall be disclosed on the website of the Company (www.blkashyap.com) and a web link thereto shall be provided in the Annual Report of the Company.