

**VIDEOCON INDUSTRIES LIMITED**



**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

---

**PREAMBLE AND OBJECTIVE**

---

The Board of Directors of Videocon Industries Limited (hereinafter referred to as VIL or the Company) has in pursuance of revised Clause 49 of the Listing Agreement, have adopted the following policy for laying down the criteria for determining “material” subsidiaries.

---

**TITLE**

---

This Policy shall be called the “Policy for Determining Material Subsidiaries”.

---

**POLICY**

---

**‘Material’ subsidiary**

A subsidiary shall be considered as material if –

1. the investment of the Company, in the subsidiary exceeds 20 per cent of its consolidated net worth as per the audited balance sheet of the previous financial year or,
2. if the subsidiary has generated 20 per cent of the consolidated income of the Company during the previous financial year.

**Material non-listed Indian subsidiary**

shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20 per cent of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding financial year.

---

**AMENDMENT AND UPDATES**

---

The Board shall have the power, subject to applicable laws, to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. The Chairman & Managing Director of the Company is authorized to make amendment in this policy, where there is any statutory changes necessitating the amendment in the policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.