



PACIFIC INDUSTRIES LIMITED

Regd. Office : Survey No. 13, N.h. 48, Kempalinganahalli Village, Nelamangala Taluk, Bangalore-Karnataka 562123

Email : pacificinvestor@rediffmail.com ; Website : www.pacificindustriesltd.com

CIN : L14101KA1989PLC062041

Tele : 91-8027723004 ; Fax : 91-8027723005

PACIFIC INDUSTRIES LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Policy Objective

This Policy is framed in terms of Clause 49 of the Listing Agreement with the Stock Exchange and will be applicable to Peacock Industries Limited (“the Company”) with effect from April 1, 2015.

The Board of Directors of the Company may review and amend this policy from time to time to align it with the applicable laws, rules, notifications, circulars and regulations.

Definitions

“**Investment**” means the investments made in the securities of the Subsidiary.

“**Net Worth**” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium 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.

“**Subsidiary**” u/s 2(87) of the Companies Act, 2013 means a company in which the holding company—

- (i) controls the composition of the Board of Directors; or
- (ii) exercises or controls more than one-half of the total share capital either at its own or together with one or more of its subsidiary companies:

For the above said purpose, —

- (a) a company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause (i) or sub-clause (ii) is of another subsidiary company of the holding company;
- (b) the composition of a company’s Board of Directors shall be deemed to be controlled by another company if that other company by exercise of some power exercisable by it at its discretion can appoint or remove all or a majority of the directors; (c) the expression “company” includes any body corporate;

Policy

A subsidiary shall be a **Material Subsidiary**, if any of the following conditions are satisfied:

- a. the Investment of the Company in the subsidiary, exceeds 20% of its consolidated net worth as per the audited balance sheet of the previous financial year; or



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- b. the subsidiary has generated 20% of the consolidated income of the Company during the previous financial year.

Pacific Industries limited have no material subsidiary: -
