
POLICY FOR DETERMINING MATERIAL SUBSIDIARY

1 Introduction

In accordance with Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a listed entity is required to frame a policy for determining the material subsidiary of the Company.

2 Purpose

This policy aims to determine the material subsidiary of the Company.

3 Authority

This Policy has been endorsed by the Board of Directors of JSL at its meeting held in February, 2024. The policy will also be made accessible on the company's website.

4 Policy

A subsidiary shall be deemed a material subsidy if –

- The net worth of the subsidiary exceeds 10% of the consolidated net worth of the company in the immediately preceding accounting year or if the income of the subsidiary exceeds 10% of the consolidated income of the Company in the immediately preceding accounting year.

5 Other Provisions

Restriction on disposal of shares

The Company shall refrain from disposing of the shares in its material subsidiary leading to a reduction of its shareholding (either independently or combined with other subsidiaries) to less than fifty percent or ceasing the exercise of control over the subsidiary. This can only be done by passing a special resolution in its General Meeting, except in cases where such divestment occurs under a court-approved scheme of arrangement or under a resolution plan duly approved under section 31 of the Insolvency and Bankruptcy Code, 2016. Such an event should be disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Restriction on disposal of Assets

Selling, disposing, and leasing of assets that amount 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 through a special resolution. This is unless the sale/disposal/lease is made under a scheme approved by a court or under a resolution plan duly approved under section 31 of the Insolvency Code. Such an event should be disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Secretarial Audit

Every material unlisted subsidiary incorporated in India shall undertake secretarial audit and the secretarial audit report shall be annexed with the annual report of the Company.

Independent Director on the Board

At least one independent director on the Board of Directors of the company shall also be a director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not.

6 Review & Amendment

The Policy shall be reviewed as required to ensure that it meets the objectives of the relevant legislation and remains effective. The Executive Committee retains the right to change or amend the policy as deemed expedient, taking into account the prevailing law.