

A subsidiary shall be considered as material if –

- a. The investment of the Company in the subsidiary exceeds 20 percent of its consolidated networth as per the audited balance sheet of the previous financial year or,
- b. If the subsidiary has generated 20percent 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 networth (i.e. paid up capital and free reserves) exceeds 20 percent of the consolidated income or networth respectively, of the listed holding Company and its subsidiaries in the immediately preceding financial year.