

**POLICY FOR DETERMINING MATERIAL SUBSIDIARY OF KERALA AYURVEDA
LIMITED [Pursuant to Regulation 46(2) (h) of SEBI(LODR) Regulations 2015**

1. PURPOSE AND SCOPE

The Policy for determining ‘material’ subsidiary of the company has been framed in accordance with the provisions of clause 46(2) of SEBI(LODR) Regulations 2015. The Policy will be used to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries. All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under SEBI(LODR) Regulations 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued hereunder, as amended, from time to time.

The Policy is amended by the Board of Directors at its meeting held on 29th May,2019 to bring it in line with the amendments in the SEBI(LODR) Regulations 2015.

POLICY

In suppression of the existing Policy on determining material ‘subsidiaries’ is being revised as under:

1. **‘Material Subsidiary’** shall mean a subsidiary, whose income or net worth exceeds **ten percent** of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
2. The Chairman may make changes to the above Policy as he may deem expedient taking into account the law for the time being in force.
3. The Policy shall be placed on the Company’s website.
4. The Policy is subject to review from time to time.

Place: Bangalore

Date: 29th May,2019

Sd/-

Ramesh Vangal

Chairman