

Policy for determining material subsidiaries**Purpose & Scope:**

The policy for determining 'material' subsidiary companies has been framed in accordance with the provisions of Clause 49 (V)(D) of the Listing Agreement.

The policy will be used to determine the Material Subsidiaries of the Company and to provide the governance framework for subsidiaries.

Identification of 'Material' Subsidiary:

A subsidiary shall be considered as material if-

- a) The investment of the company in the subsidiary exceeds 20 percent of its consolidated net worth as per the Audited Balance Sheet of the previous financial year or;
- b) If the subsidiary has generated 20 percent of the consolidated income of the Company during the previous financial year.



For ADTECH SYSTEMS LIMITED
G. Balamurali
G. Balamurali, ACS
CFO & Company Secretary