

# **THIRU AROORAN SUGARS LTD**

## **Policy on Material Subsidiaries**

Pursuant to Clause 49(V) (D) of the Listing Agreement, Thiru Arooran Sugars Limited (TASL) have formulated the following policy on material subsidiaries.

### **Determination of material subsidiaries**

1. A subsidiary shall be considered as material if the investment of the company in the subsidiary exceeds twenty percent of its consolidated net worth as per the audited Balance Sheet of the previous Financial Year or if the subsidiary has generated twenty percent of the consolidated income of the Company during the previous Financial Year.
2. The Company shall not dispose of shares in its material subsidiary which would reduce its shareholding to less than 50% or cease the exercise of control over the subsidiary without passing a Special Resolution in its General Meeting except in cases where such disinvestment is made under a Scheme of Arrangement duly approved by a Court/Tribunal.
3. Prior approval of shareholders by way of special resolution shall be obtained for selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year unless the sale/disposal/lease is made under a Scheme of Arrangement duly approved by a Court/Tribunal.

\*\*\*\*\*