IL JIN ELECTRONICS (INDIA) LIMITED
(FORMERLY KNOWN AS IL JIN ELECTRONICS (INDIA) PRIVATE LIMITED)

Policy for determination of material Subsidiary
and
Governance of Subsidiary

Approved and adopted by the Board of Directors of the Company at its meeting held on 30th October 2026

INDEX

Sl. No.	Description	Page No.
1	Preamble	3-3
2	Purpose and Objective	3-3
3	Governing Laws	4-4
4	Definition	4-5
5	Determination of Material Subsidiary	5-5
6	Governance of Subsidiaries	5-6
7	Disclosure of Material Events	7-8
8	Interpretation	8-8
9	Review and Amendments	8-8

Approved and adopted by the Board of Directors of the Company at its meeting held on 30th October 2026

I. PREAMBLE

This Policy for Determination of Material Subsidiaries and Governance of Subsidiaries ("Policy") has been formulated by the Board of Directors of IL JIN Electronics (India) Limited (Formerly Known as Il Jin Electronics (India) Private Limited) ("Company") pursuant to the provisions of Regulation 16(1)(c), Regulation 24 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time.

The Policy shall be hosted on the website of the Company and a web-link thereto shall be disclosed in the Annual Report of the Company in accordance with the applicable provisions of the SEBI LODR Regulations.

II. PURPOSE AND OBJECTIVE OF THE POLICY

This Policy lays down the criteria for determining and dealing with Material Subsidiaries of the Company and the disclosure requirements applicable thereto under the SEBI LODR Regulations. The Policy also aims to ensure effective governance and oversight of Material Subsidiaries through compliance with applicable regulatory requirements relating to Board representation, review of financial statements, monitoring of significant transactions and arrangements, and restrictions concerning disinvestment of shares and disposal, sale or lease of assets of such subsidiaries.

The objectives of this Policy are:

a) to establish the criteria for identifying Material Subsidiaries of the Company;
b) to provide a governance and oversight framework for the Subsidiaries of the Company;
c) to ensure compliance with the applicable provisions of the Companies Act, 2013 and the SEBI LODR Regulations relating to Subsidiaries and Material Subsidiaries; and
d) to provide a framework for monitoring significant transactions, arrangements and other governance matters relating to Subsidiaries.

III. GOVERNING LAWS

This Policy shall be governed by:

- Companies Act, 2013 and rules made thereunder;
- Securities and Exchange Board of India Act, 1992;
- SEBI LODR Regulations;
- Applicable circulars, notifications, guidelines and clarifications issued by SEBI;
- Any other applicable laws in force from time to time.

In the event of any conflict between this Policy and any statutory provision, the statutory provision shall prevail.

IV. DEFINITION

"Act" means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued and amended by the Ministry of Corporate Affairs, from time to time.

"**Audit Committee**" means the Audit Committee constituted by the Board pursuant to Section 177 of the Act and Regulation 18 of the SEBI LODR Regulations.

"Board of Directors" or the **"Board"** shall mean the board of Directors of the Company, as constituted from time to time.

"Company" means IL JIN Electronics (India) Limited.

"Control" means Company shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder agreements or voting agreements or in any other manner.

"Directors" mean all the Directors on the Board of the Company

"**Independent Director**" means a non-executive director of the Company, other than a nominee director, who is neither a promoter nor a member of the promoter group of the Company and who meets the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

"**SEBI LODR Regulations, 2015**" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto.

"**Material Subsidiary**" shall mean a subsidiary, whose turnover or net worth exceeds **ten percent** of the consolidated turnover or net worth respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.

"**Significant Transaction or Arrangemen**t" shall mean any individual transaction or arrangement that exceeds or is likely to exceed **ten percent** of the **total revenues** or **total expenses** or **total assets** or **total liabilities**, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.

"**Subsidiary**" shall have the meaning assigned under sub-section (87) of Section 2 of the Act and shall include step-down subsidiaries.

"Unlisted Material Subsidiary" means an unlisted subsidiary, incorporated in India, whose turnover or net worth exceeds **twenty percent** of the consolidated turnover or net worth respectively, of the Company and its Subsidiaries in the immediately preceding accounting year.

Any other term not defined herein shall have the same meaning as defined in the Act, SEBI LODR, Securities Contract (Regulation) Act, 1956 or any other applicable law or regulation.

V. DETERMINATION OF MATERIAL SUBSIDIARY

The Company Secretary and Compliance Officer shall, at least once every financial year, determine the Material Subsidiaries of the Company based on the audited consolidated financial statements of the immediately preceding financial year.

A list of Material Subsidiaries shall be placed before the Board for its noting and review.

Any change in status of a Subsidiary as a Material Subsidiary shall be reported to the Board at its next meeting.

VI. GOVERNANCE OF SUBSIDIARIES

A. Independent Director on the Board of Material Unlisted Subsidiary

At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.

B. Review of Financial Statements

The Audit Committee shall review:

- the financial statements of all unlisted subsidiaries;
- investments made by such subsidiaries;
- material transactions and arrangements entered into by such subsidiaries.

C. Review of Minutes

The minutes of meetings of the Board of Directors of unlisted subsidiaries shall be placed before the Board of the Company periodically.

D. Significant Transactions and Arrangements

The management of each unlisted subsidiary shall periodically bring to the notice of the Board of the Company a statement of significant transactions and arrangements entered into by such subsidiary.

E. Restrictions on Disposal of Shares of Material Subsidiary

The Company shall not dispose of shares held in its Material Subsidiary resulting in:

i) reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent (50%); or
ii) cessation of control over such Material Subsidiary,

without obtaining prior approval of shareholders by way of a Special Resolution, except in cases permitted under applicable laws including approved schemes of arrangement or resolution plans under the Insolvency and Bankruptcy Code, 2016 such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

F. Restrictions on Disposal of Assets of Material Subsidiary

The Company shall not sell, dispose of or lease the assets amounting to more than twenty percent (20%) of the assets of a Material Subsidiary on an aggregate basis during a financial year without prior approval by way of a Special Resolution of shareholders.

Provided that the above restriction shall not apply where such transaction is undertaken pursuant to:

- a scheme of arrangement approved by a competent authority;
- a resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016;
- transactions between wholly-owned subsidiaries of the Company.

G. Secretarial Audit of Material Subsidiaries

Every Material Unlisted Subsidiary incorporated in India shall undertake a Secretarial Audit in accordance with the provisions of the Companies Act, 2013 and Regulation 24 of the SEBI LODR Regulations, as amended from time to time. Such Secretarial Audit shall be conducted by a Peer Reviewed Company Secretary in Practice, who shall issue a Secretarial Audit Report in the prescribed form, and the same shall be annexed to the Annual Report of the Company, as required under applicable laws.

The Secretarial Audit Report of every Material Unlisted Subsidiary shall be placed before the Board of Directors of the Company and shall be disclosed in such manner as may be required under the Companies Act, 2013, the SEBI LODR Regulations and other applicable laws.

H. Oversight of Subsidiaries

The Board shall periodically review:

- performance of Material Subsidiaries;
- significant litigation involving Material Subsidiaries;
- major capital expenditure proposals;
- borrowings and guarantees;
- acquisitions and divestments;
- related party transactions involving Subsidiaries;
- material regulatory actions and compliance issues.

I. OVERSEAS AND STEP-DOWN SUBSIDIARIES

The provisions of this Policy shall, to the extent applicable, extend to:

- overseas subsidiaries;
- step-down subsidiaries;
- joint venture subsidiaries where the Company exercises control.

The management shall ensure that adequate reporting mechanisms are established for such entities.

VII. DISCLOSURE OF MATERIAL EVENTS

The Company shall disclose material events and information relating to its Subsidiaries in accordance with Regulation 30 and Schedule III of the SEBI LODR Regulations.

Such disclosures shall include, inter alia:

- acquisition of subsidiaries;
- sale or disposal of subsidiaries;
- incorporation of subsidiaries;
- insolvency, winding-up or liquidation proceedings;
- material litigation;
- any event that may materially affect the operations or financial position of the Company.

VIII. INTERPRETATION

Any question regarding interpretation of this Policy shall be referred to the Board whose decision shall be final.

Approved and adopted by the Board of Directors of the Company at its meeting held on 30th October 2026

Words and expressions used but not defined herein shall have the meanings assigned under applicable laws.

IX. REVIEW AND AMENDMENTS

The Board may review, amend, modify or replace this Policy from time to time to ensure compliance with applicable laws and regulatory requirements.

In the event of any amendment to the Companies Act, 2013, SEBI LODR Regulations or any other applicable law, the provisions of such law shall prevail over this Policy and this Policy shall be deemed to be modified accordingly.

Approved and adopted by the Board of Directors of the Company at its meeting held on 30th October 2026