SUPER BAKERS (INDIA) LIMITED

Policy for Determining Material Subsidiary

I. TITLE

This Policy shall be called "**SUPER BAKERS (INDIA) LIMITED** - Policy for Determining Material Subsidiaries" ("Policy").

II. INTRODUCTION & EFFECTIVE DATE OF THE POLICY

The Board of Directors (the "Board") of **SUPER BAKERS (INDIA) LIMITED** (the "Company") had adopted the policy and procedures with regard to determination of Material Subsidiaries effective from October 01, 2014.

The said policy was originally prepared in accordance with Clause 49(V)(D) of erstwhile the Listing Agreement (including any amendments thereof) to ensure governance of the Company's material subsidiary companies.

Pursuant to regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective from December 01, 2015 mandate listed entities to formulate a Policy for determining Material Subsidiaries. It is in this context that the Policy for determining Material Subsidiaries ("Policy") is being framed and implemented by the Company. With the formation of this Policy, earlier Policy for determining Material Subsidiaries shall stand cancelled.

The Board of Directors (the "Board") of the Company has adopted the following policy with regard to the determination of its Material Subsidiaries in Compliance with Listing Regulations and Board will review and may amend this policy from time to time. Any subsequent modification and/or amendments brought about by SEBI in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 or any other provisions referred in this Code shall automatically apply to this Code unless it requires major revision.

The Board has reviewed and approved policy on February 13, 2019.

III. DEFINITIONS

"Act" means Companies Act, 2013 and rules made thereunder including any statutory modification or re-enactment thereof.

"Audit Committee or Committee" means "Audit Committee" constituted by the Board of Directors of the Company, from time to time, under provisions of Listing Regulations /erstwhile Listing Agreement and the Companies Act, 2013.

"Board of Directors" or "Board" means the Board of Directors of the SUPER BAKERS (INDIA) LIMITED, as constituted from time to time.

"Company "means SUPER BAKERS (INDIA) LIMITED.

"Control" 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.

"Holding Company" means Holding Company as defined under Section 2(46) of the Act.

"Independent Director" means a director of the Company as referred in Section 149(6) of the act read with regulation 16(1)(b) of the Listing Regulations and amendments made thereof from time to time .

"Material Subsidiary" means subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

"Policy" means this Policy determining Material Subsidiaries and as may be amended from time to time.

"Subsidiary" shall be as defined under section 2 (87) of the Companies Act, 2013 and the Rules made thereunder.

"Net Worth" means net worth as defined under section 2 (57) of the Companies Act, 2013.

All other words and expressions used but not defined in this Policy, but defined in the Listing Regulations, SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or reenactment thereto, as the case may be.

IV. COMPLIANCES

1. At least one independent director on the Board of Directors of the Company shall be a director on the Board of Directors of unlisted material subsidiary company, whether incorporated in India or not;

For the purpose of above sub clause (1) of clause 4, "Material Subsidiary" means a subsidiary, whose income or net worth exceeds 20% (Twenty percent) of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

2. The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company;

3. The minutes of the Board Meetings of the Unlisted Subsidiary Companies shall be placed at the meeting of the Board of Directors of the Company.

4. The Company shall comply with such other requirement in relation to unlisted material subsidiary as may be mandated under the Act and/ or Listing Regulations, from time to time.

5. The policy shall be disclosed on the website of the Company www.superbread.com and a web link thereto shall be provided in the Annual Report of the Company

V. RESTRICTION ON DISPOSAL OF MATERIAL SUBSIDIARY / ASSETS OF MATERIAL SUBSIDIARY

The Company shall not dispose of shares in its material subsidiary which would reduce the Company's shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in the General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

The Company shall not sell, dispose and lease assets amounting to more than 20% (twenty percent) of the assets of the material subsidiary on an aggregate basis during a financial year unless it obtains the prior approval of shareholders by way of special resolution, except where the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

VI. REVIEW OF SIGNIFICANT TRANSACTION AND ARRANGEMENTS ENTERED INTO BY UNLISTED SUBSIDIARY COMPANY

The management of the unlisted subsidiary shall periodically bring to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.

For the purpose of this sub-clause, the term **"significant transaction or arrangement"** shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% 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.

VII. SECRETARIAL AUDIT

Every Material Unlisted Subsidiary of the Company incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice.

VIII. AMENDMENTS

The Board shall have the power to amend any of the provisions of the Policy, substitute any of the provisions with a new provision or replace this policy entirely with a new Policy.

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