

Pursuant to Regulation 16(c) of Chapter IV
of SEBI (Listing Obligation & Disclosure
Requirements) Regulations, 2015

1. INTRODUCTION

Pursuant to Regulation 16(c) of Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Board of directors of Mishtann Foods Limited has adopted following policy with regard to determining material subsidiaries. As on date of formulating this Policy, the Company has no subsidiaries and there is no immediate applicability. However, the policy is devised in order to cater to the needs of the company in future when the Company would own Subsidiaries. The Board may review and amend this Policy from time to time.

2. OBJECTIVE

The Main Objective of this Policy is to determine material subsidiaries of the company and to provide a framework for such material subsidiaries.

3. DEFINITIONS

“Board of Directors” or “Board” in relation to a company means collective Body of Directors of the company under section 2(10) of the companies Act, 2013.

“Policy” means this policy.”

“Subsidiary shall mean a subsidiary as defined under the Act and Rules made there under.”

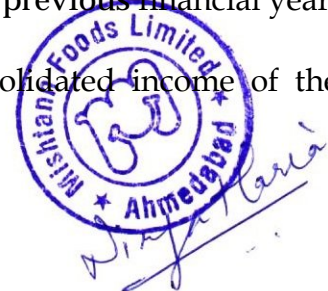
“Material Non Listed Indian Subsidiary shall mean a Material Subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges whose income or net worth (i.e. paid-up capital and free reserves) exceeds 20 per cent of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding financial year.”

“Audit Committee means Audit Committee constituted by the Board of Directors of the Company, from time to time, under Regulation 18 of SEBI's LODR Regulations, 2015 and Section 177 of Companies Act, 2013.”

4. CONDITIONS

A subsidiary shall be considered Material if any of the following conditions is satisfied:

- The investment of the Company in the subsidiary exceeds twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year; or
- The subsidiary has generated twenty per cent of the consolidated income of the Company during the previous financial year.



5. RESTRICTION ON DISPOSAL OF MATERIAL SUBSIDIARY

The Company shall not:

- dispose of the shares in its material subsidiary which would reduce its 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 its General Meeting, except in cases where divestment is made under a scheme of arrangement duly approved by a Court/Tribunal.

- sell, dispose off and lease assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of special resolution, unless the sale / disposal / lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

6. CORPORATE GOVERNANCE FRAMEWORK

- One Independent Director of the Company shall be a Director on the Board of the material non-listed Indian subsidiary company.
- The management should 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.
- The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the company.
- The management should 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.

7. DISCLOSURE OF POLICY:

The policy will be uploaded on Company's website for public information.

