

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

1. Preamble and Applicability

The policy is framed by the Company pursuant to Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) 2015 (hereinafter referred to as LODR or Listing Regulations) to ensure compliance with the applicable provisions of the Listing Regulations.

Note: The Company, as of now, does not have any subsidiary, however, the Policy shall be applicable and effective as and when the Company gets to have a subsidiary or subsidiaries.

2. Definitions

(i) "Act" means Companies Act, 2013 including any statutory modification or re-enactment thereof

(ii) "Company" means Tanvi Foods (India) Limited

(iii) "Subsidiary Company" as defined under clause 2(87) of the Act

(iv) "Holding Company" as defined under clause 2(46) of the Act

(v) The term "material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of Tanvi Foods (India) Limited and its subsidiaries in the immediately preceding accounting year.

(vi) 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 immediately preceding accounting year.

3. Basis of determining Material Subsidiary.

This Policy lays down the basis of determining Material Subsidiaries of Tanvi Foods (India) Limited and related issues as specified in Regulation 24 of Listing Regulations. A Subsidiary shall be considered as material if its income or net worth exceeds 10% of the consolidated income or net worth respectively, of Tanvi Foods (India) Limited and its subsidiaries in the immediately preceding accounting year. However, in case of requirement of appointment of one Independent Director of Tanvi Foods (India) Limited on the Board of its material subsidiary, the material subsidiary shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of Tanvi Foods (India) Limited and its subsidiaries in the immediately preceding accounting year.

4. Policy & Procedure

a) At least one independent director on the Board of Directors of Tanvi Foods (India) Limited, the Holding Company, shall be appointed as a director on the Board of the unlisted material subsidiary whether incorporated in India or not. as and when applicable.

b) Tanvi Foods (India) Limited will not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its 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.

c) Prior approval of the Shareholders of Tanvi Foods (India) Limited by way of a Special Resolution will be obtained for sale, disposal of and leasing of assets by its material subsidiary amounting to more than 20% of the assets of its material subsidiary on an aggregate basis during the financial year (exception being if 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].

d) The management of Tanvi Foods (India) Limited should periodically bring to the attention of the Board of Directors of Tanvi Foods (India) Limited, a statement of all significant transactions and arrangements entered into by a unlisted subsidiary company.

5. Amendments to the Policy

The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc., on the subject as may be issued by relevant Statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

6. Interpretation

Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made there under, SEBI Act or Rules and Regulations made there under, Listing Agreement or any other relevant legislation / law applicable to the Company.

7. Disclosures(s)

Details of all material transactions with related parties shall be disclosed quarterly along with the

compliance report on corporate governance. The Company shall disclose the policy on dealing with Related Party Transactions and material subsidiary on its website and also in the Annual Report. Furthermore, all the related party transactions with the subsidiaries shall be disclosed in the Annual Report of the Company.