



POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Under Regulation 16 (1) (c) & Regulation 24 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015

Document Title	Policy for Determining Material Subsidiaries
Document Version	2
Date of First Approval	August 03, 2018
Amended on	February 14, 2025
Effective from	February 14, 2025



INTRODUCTION

The Board of Directors (the “Board”) of the B&B Triplewall Containers Limited (“Company”) has adopted the policy and procedures for determining material subsidiary companies (“Policy”) in accordance with the provisions of Regulation 16 (1) (c) & Regulation 24 of SEBI Listing Regulation, 2015.

The purpose of this Policy is to establish a framework to determine "Material Subsidiary" status and set forth the governance framework for such subsidiaries, whether incorporated in India or outside India and whether listed or unlisted.

All terms not defined herein shall have the meaning assigned to them under the Listing Regulations or, where not defined therein, under the Companies Act, 2013 ('Act') and the rules, notifications, and circulars issued thereunder, as amended from time to time.

DEFINITIONS

“Audit Committee” means the committee constituted by the Board of Directors of the Company in accordance with section 177 of the Act and Regulation 18 of the Listing Regulations.

“Holding Company” in relation to one or more other companies, means a company of which such companies are subsidiary companies.

“Independent Director” means an independent director referred to in

- section 149(6) of the Companies Act, 2013, and / or
- regulation 16(b) of the Regulations.

“Listed Entity” means an entity which has listed, on a recognized stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognized stock exchange(s);

“Material Subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year [Regulation 16(1)(c) of the Listing Regulations]. This definition of material subsidiary shall be equally applicable to the provision of regulation 24(5) and 24(6) of the listing regulations.

However, for the purpose of nominating one Independent Director of listed holding company on the board of unlisted material subsidiary, whether incorporated in India or not, the term "material subsidiary" shall means a subsidiary, whose turnover or net worth exceeds twenty percent of the



consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

“Subsidiary” shall be as defined under the Companies Act, 2013 and the rules made thereunder.

“Significant transaction or arrangement” means 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 [Explanation to Regulation 24(4) of the Listing Regulations.

“Unlisted Subsidiary” means a subsidiary whose securities are not listed on any recognized Stock Exchanges.

CORPORATE GOVERNANCE REQUIREMENTS FOR SUBSIDIARIES

1. At least one Independent Director of the Company shall be a director on the board of the unlisted material subsidiary whether incorporated in India or not. *For this purpose a "material subsidiary" is defined as a subsidiary, whose turnover or net worth exceeds twenty percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.*
2. The Audit Committee shall also review the financial statements, in particular, the investments made by the unlisted subsidiary of the Company.
3. The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the Company at regular intervals.
4. The Board shall be provided periodically with a statement of all significant transactions and arrangements entered into by the unlisted subsidiary Company.
5. The Company shall 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.
6. 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 shall require 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, 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.

DISCLOSURES

The Company shall disclose in its Board's report, details of this Policy as required under the Act and the Listing Regulations. This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the Board's report.

LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.
