



FUTURE RETAIL LIMITED

(Formerly known as Bharti Retail Limited)

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

1. PURPOSE:

This policy is formulated as per requirements of Regulation 16 (1) (c) of SEBI (LODR), 2015 for the purpose of determining material subsidiaries of the Company.

2. CRITERIA:

For the purpose of this policy, a 'Material Subsidiary' shall mean a subsidiary, whose income or networth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

3. DISCLOSURE OF THE POLICY:

This Policy shall be uploaded on the Company's website for public information and a web link for the same shall also be provided in the Annual Report of the Company.

4. CORPORATE GOVERNANCE REQUIREMENTS:

As per regulation 24 of the SEBI (LODR), 2015 our Company shall have atleast one independent director on the board of directors who shall be a director on the board of directors of our unlisted material subsidiary, incorporated in India.

5. MINUTES OF UNLISTED SUBSIDIARY:

The minutes of the meetings of the board of directors of the unlisted subsidiary shall be placed at the meeting of the board of directors of the listed entity.

6. REVIEW:

The audit committee of the listed entity shall also review the financial statements, in particular, the investments made by the unlisted subsidiary.

The Board will review this policy and make such revisions as may be required or deemed necessary from time to time by reason of any changes in applicable statutory provisions.



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7. SIGNIFICANT TRANSACTIONS:

The management of the unlisted subsidiary shall periodically bring to the notice of the board of directors of the listed entity, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

Explanation.- For the purpose of this regulation, the term "significant transaction or arrangement" 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 material subsidiary for the immediately preceding accounting year.

8. DISPOSE OF SHARES IN ITS MATERIAL SUBSIDIARY:

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 fifty percent 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.

9. SELLING, DISPOSING AND LEASING OF ASSETS:

The Company shall require prior approval of shareholders by way of special resolution, for 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, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.
