



**SHUBHSHREE BIOFUELS ENERGY LIMITED CIN:
U38210RJ2013PLC042232**

**Registered Office: Plot No. 8, Ganesh Vihar B, Pandit T.N. Mishra Marg, Nirman Nagar,
Shyam Nagar, Jaipur - 302019, Rajasthan, India.**

Website: www.shubhshreebiofuels.co.in

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

1. Introduction

The Board of Directors (the “Board”) of “Shubhshree Biofuels Energy Limited” (the “Company”) has approved this policy for determination of Material Subsidiaries in terms of regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

2. Objective

The main objective of the policy is to determine the Material Subsidiaries of “Shubhshree Biofuels Energy Limited” and to provide good Corporate Governance framework for such subsidiaries in compliance with applicable regulatory requirements.

3. Definitions

The terms and expressions not defined hereunder shall have the same meaning as defined under the Companies Act, 2013, Securities and Exchange Board of India Act, 1992 and the Listing Regulations.

- I. **“Act”** means the Companies Act, 2013, Rules framed thereunder and any amendments thereto;
- II. **“Audit Committee”** means the Committee constituted by the Board of Directors of the Company, from time to time, under the provisions of Listing Regulations.
- III. **“Board of Directors”** or **“Board”** means the Board of Directors of “Shubhshree Biofuels Energy Limited”, as constituted from time to time.
- IV. **“Company”, “This Company”, “The Company”** wherever occur in the policy shall mean “Shubhshree Biofuels Energy Limited”.
- V. **“Independent Director”** means an Independent Director of the Company as defined in Section 149(6) of the Act, and regulation 16(1)(b) of the Listing Regulations.
- VI. **“Subsidiary Company”** means Subsidiary Company as defined under Section 2(87) of the Companies Act, 2013.
- VII. **“Material Subsidiary”** shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- VIII. **“Unlisted Subsidiary”** means subsidiary whose securities are not listed on any recognized Stock Exchange(s).

- IX. **“Listing Regulations”** means Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and any amendments thereto;
- X. **“Policy” or “This Policy”** means, “Policy for determining Material Subsidiary.”
- XI. **“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.

4. Policy

- a. At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.

Here, the term “material subsidiary” shall mean 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.

- b. The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary on an annual basis.
- c. The minutes of the meetings of the board of directors of the Unlisted Subsidiary shall be placed before the Board of the Company periodically.
- d. The management of the unlisted Subsidiary shall periodically, bring to the notice of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary.
- e. The Company shall not dispose of the shares in Material Subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% or cease the exercise of control over the Subsidiary without passing a special resolution in its General Meeting except in cases where such disinvestment 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.
- f. 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.

Nothing contained in this clause shall be applicable if such sale, disposal or lease of assets is between two wholly-owned subsidiaries of the listed entity.

- g. Every material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the listed entity.

5. Applicability on Listed Subsidiaries :

This policy shall be applicable to all listed subsidiaries of the Company with respect to their Subsidiaries.

6. Disclosure of Events or Information

The Company shall disclose all events or information with respect to subsidiaries which are material for the Company as per Regulation 30(9) of the Listing Regulations.

7. Disclosures

This Policy shall be uploaded on the website of the Company i.e www.shubhshreebiofuels.co.in and a web link thereto shall be provided in the Annual Report.

8. Policy Review and Amendments

The Board of Directors may review and amend the abovementioned policy from time to time in accordance with the applicable laws. Any subsequent notification, circular, guidelines or amendments under Listing Regulation and other applicable laws as may be issued from time to time shall be mutatis mutandis applicable without further modification or amendment in this Policy.

Effective Date: March 31, 2025

Date of the approval by the Board: March 31, 2025

Sd/-

Chairman's Signature