STORE ONE RETAIL INDIA LIMITED
(CIN: L52190DL2005PLC181536)
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Policy for Determining "Material" Subsidiary Companies

(as per clause 49(V)(d) of the Equity Listing Agreement with the Stock Exchanges)

SCOPE AND PURPOSE OF THE POLICY

The Clause 49(V)(d) of the Listing Agreement requires the company to formulate a policy for determining "material" subsidiaries.

OBJECTIVE

Store One Retail India Limited (the "Company"), has adopted the following policy (the "policy") for determining "material" subsidiaries, which has been framed as per the requirement of Clause 49 of the Listing Agreement.

The objective of this policy and procedure is to fix the threshold for determining "material" subsidiaries and applicable guiding principles.

THRESHOLD FOR DETERMINING 'MATERIAL' SUBSIDIARIES

A subsidiary shall be considered as material if the investment of the Company in the subsidiary exceeds twenty per cent of the consolidated net worth as per the audited consolidated balance sheet of the previous financial year or if the subsidiary has generated twenty per cent of the consolidated income of the Company during the previous financial year as per the audited consolidated financial statements of the Company.

GUIDING PRINCIPLES

1. The Audit Committee of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary company.

2. 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.

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 material unlisted subsidiary for the immediately preceding accounting year.

3. The Company shall not dispose of 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 its shareholders’ approval.

4. Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the material subsidiary shall require its shareholders’ approval.

THRESHOLD FOR DETERMINING ‘MATERIAL NON-LISTED INDIAN SUBSIDIARIES”

A subsidiary shall be considered as “material non- listed Indian subsidiary” which is incorporated in India and whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

GUIDING PRINCIPLES

At least one independent director on the Board of Directors of the Company shall be a director on the Board of Directors of a material non-listed Indian subsidiary company.

In the event of any conflict between the provisions of this Policy and the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.