

**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**  
**EPIC ENERGY LIMITED**  
CIN No. L67120MH1991PLC063103

**1. INTRODUCTION**

1.1 The Board of Directors (the “Board”) of ‘Epic Energy Limited’ (the “Company”) has adopted the following policy and procedures with regard to determination of Material Subsidiaries.

**2. OBJECTIVE**

2.1 This objective of the policy is to determine Material Subsidiaries of the Company and to provide a governance framework for such material subsidiaries.

2.2 The policy is framed in accordance with the requirements of Clause 49(V) (D) of the Listing Agreement (including any amendments thereof).

**3. DEFINITIONS**

3.1 “**Act**” means Companies Act, 2013 & rules made there under.

3.2 “**Audit Committee**” means the committee constituted by the Board of Directors of the Company, in accordance with Section 177 of the Act and Clause 49 of the Listing Agreement.

3.3 “**Company**” means Epic Energy Limited.

3.4 “**Independent Director**” means a director of the Company who satisfies the criteria for independence under Section 149 of Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchanges.

3.5 “**Material non-listed Indian subsidiary**” shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital & free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company & its subsidiaries in the immediately preceding accounting year.

3.6 “**Material Subsidiary**” - A subsidiary shall be considered as material if the investment of the company in the subsidiary exceeds 20% of its consolidated net worth as per the audited balance sheet of the previous financial year or if the subsidiary has generated 20% of the consolidated income of the company during the previous financial year.

3.7 “**Subsidiary Company**” shall mean a subsidiary as defined under Section 2(87) of the Companies Act, 2013 and rules related thereto.

3.8 “**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 financial year.

**4. PROVISION WITH REGARD TO SUBSIDIARY COMPANIES**

4.1 At least one Independent Director on the Board of Directors of the Company shall be a director on the Board of Directors of Material Non-listed Indian Subsidiary. The Board may appoint Independent Directors on the Board of an overseas subsidiary company, as it may deem necessary.

4.2 The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the Material Non-listed Indian Subsidiary.

4.3 The minutes of the Board meetings of the Material Non-listed Indian Subsidiary shall be placed at the Board meeting of the listed company.

4.4 The management shall periodically bring to the attention of the Board of Directors of the Company, a statement of all significant transactions & arrangements entered into by the Material Non-listed Subsidiary;

4.5 Where a Listed Holding company has a listed subsidiary which is itself a holding company, all the provisions of this policy shall apply to the listed subsidiary in so far as its subsidiaries are concerned.

## **5. DISPOSAL OF SHARES OF MATERIAL SUBSIDIARY COMPANY**

5.1 The Company shall not, without prior approval by way of passing a special resolution in its General Meeting:

a. 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; or

b. Sell, dispose and lease the assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year.

5.2 The provision of clause 6.1 shall not be applicable in cases where such divestment, sale, disposal, lease, as the case may be, is made under a scheme of arrangement duly approved by the Court/Tribunal.

## **6. DISCLOSURE**

6.1 The Company shall disclose details of this policy in its Board's report.

6.2 This Policy shall be disclosed on the Company's website at [www.epicenergy.in](http://www.epicenergy.in)

6.3 Web link thereto shall be provided in the Annual Report of the Company.

## **7. AMENDMENT AND UPDATES**

7.1 The Audit Committee will review the policy periodically and may recommend amendments in the same to the Board from time to time, as may be deemed necessary.

7.2 The Board shall have the power, subject to applicable laws, to amend / substitute any of the provisions of this Policy, or replace this Policy entirely with a new Policy, to give effect to the intent of the Policy and further the objective of good corporate governance.

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