

VEER ENERGY & INFRASTRUCTURE LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

1. Purpose and Scope

The Policy for determining material subsidiary companies has been framed in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) as amended from time to time.

The Policy is used to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries.

All the words and expressions used in this Policy, unless defined hereafter, shall have the meaning respectively assigned to them under the SEBI Listing Regulations.

2. Criteria for Determining Material Subsidiary

“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.

3. Governance Framework

- i. At least one independent director on the board of directors of the Company shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.
- ii. The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary Company.
- iii. 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 Company.
- iv. 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.

4. Divestment in a 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 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.

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.

5. Amendments

The policy can be amended by the Board of Directors of the Company or as per the recommendations received from Audit Committee from time to time.