



# **Policy For Determining Material Subsidiaries of the Company**



## **1. Introduction**

The Board of Directors (“Board”) of OIL INDIA LIMITED (“OIL /the Company”) has adopted this policy with respect to the determination of Material Subsidiaries to comply with the SEBI (Listing Obligation & Disclosure Requirements) [LODR] Regulations, 2015.

## **2. Objective**

The Policy is framed pursuant to the SEBI [LODR] Regulations, 2015 (including amendments made thereto) and is intended to ensure governance of the Material Subsidiary Companies.

Accordingly, the Board of Directors of OIL has adopted the policy and procedures with regard to determination of Material Subsidiaries as enumerated below.

## **3. Definitions**

“Act” means Companies Act, 2013 & Rules made thereunder.

“**Subsidiary Company**” a subsidiary company as defined in sub-section (87) of section 2 of the Companies Act, 2013

## **4. Determination of Material Subsidiaries**

Material Subsidiary shall mean a subsidiary, whose Turnover or net worth exceeds 10% [Ten percent] of the consolidated Turnover or net worth respectively, of OIL and its subsidiaries in the immediately preceding accounting year.

## **5. Compliance to the Regulatory Provisions related to Material Subsidiary**

At least one independent director on the Board of Directors of OIL shall be a director on the Board of Directors of the unlisted material subsidiary.

For the purposes of this provision the term “material subsidiary” shall mean a subsidiary, whose turnover or net worth exceeds 20% [Twenty percent] of the consolidated turnover or net worth respectively, of OIL and its subsidiaries in the immediately preceding accounting year.



Further, the Company will comply with provisions of Regulation 16 and Regulation 24 and other applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, DPE guidelines and Companies Act, 2013 (as amended).

**6. Applicability / Interpretation**

Amendments in the extant Regulations regarding Material Subsidiary will be applicable and any word used in this policy but not defined herein shall have same meaning ascribed in the Companies Act, 2013 or Rules made thereunder, SEBI [LODR] Regulations, 2015, DPE guidelines or any other relevant legislation /law applicable to the Company.

**7. Disclosures**

The Policy shall be disclosed on the website of the Company & a web link thereto shall be provided in the Annual Report of the Company.

**8. Amendment**

The Chairman and Managing Director of the Company is authorised to review or amend this policy, in whole or in part, from time to time in terms of any modifications or amendment in the Act or Regulations or any notifications by the Govt. or Statutory Authorities.