

**XL ENERGY LIMITED**

C2, Pooja Plaza, Vikrampuri, Secunderabad – 5000009.  
CIN: L31300TG1985PLC005844

**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

(Pursuant to Clause 49 of the Listing Agreement)

Clause 49 of the Listing Agreement, as amended, requires a listed company to formulate a Policy for determining 'MATERIAL' subsidiaries. Accordingly, XL Energy Limited ("the Company") has framed its Policy as under:

1. A Subsidiary of the Company shall be considered as 'MATERIAL', if the Investment of the Company in the Subsidiary exceeds twenty (20) percent of its Consolidated Net Worth as per the last audited Balance Sheet of the previous financial year or if the Subsidiary has generated twenty (20) percent of the Consolidated Income of the Company during the previous financial year.
  2. This Policy on 'MATERIAL' Subsidiaries shall be subject to the Companies Act, 2013 read with Rules made thereunder, as may be in force for the time being, as well as Clause 49 of the Listing Agreement or such other Rules / Regulations, as may be notified by SEBI from time to time.
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