

ESSAR SHIPPING LIMITED

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

Policy for determining Material Subsidiary pursuant to Clause 49 (V) (D) of the Listing Agreement:

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

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