

POLICY ON MATERIAL SUBSIDIARIES

***PANORAMA STUDIOS
INTERNATIONAL LIMITED***

Policy on Material Subsidiaries

Preface:

Regulation 24 of LODR (Listing Obligation Disclosure Requirements Regulations), 2015 specifies that all listed companies shall formulate a policy for determining 'material subsidiaries' and such policy shall be disclosed on the company's website and a web link thereto shall be provided in the Annual Report of such listed companies.

This Policy shall be applicable Apunka Invest Commercial Limited (the Company) effective from October 1, 2014

Policy Objective:

To determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries

Definitions:

- a. "Audit Committee or Committee"** means "Audit Committee" constituted or reconstituted by the Board of Directors of the Company.
- b. "Board of Directors" or "Board"** means the group of Directors of Apunka Invest Commercial Limited, occupying the position as Directors for the time being.
- c. "Company"** means Apunka Invest Commercial Limited
- d. "Independent Director"** means a director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence under the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- e. "Policy"** means this Policy on Material Subsidiary, as amended from time to time.
- f. "Material Subsidiary"** shall mean a company as defined under Clause 4 of this Policy.
- g. "Significant Transaction or Arrangement"** shall mean any individual transaction or arrangement that exceeds 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the Material Subsidiary at the end of the immediately preceding accounting year.
- h. "Stock Exchange"** means Bombay Stock Exchange
- i. "Subsidiary Company"** shall be a company defined as subsidiary company under the Companies Act, 2013 and the Rules made thereunder

Material Subsidiary:

A Subsidiary Company shall be considered as a Material Subsidiary, only if any of the following conditions are satisfied:

- Investment of the Company in the Subsidiary Company exceeds 20% of its consolidated net worth as per the audited balance sheet of the previous financial year;

Or

- Subsidiary Company has generated 20% of the consolidated income of the Company during the previous financial year

Material Non-Listed Indian Subsidiary:

Material non-listed Indian Subsidiary Company shall mean a subsidiary incorporated in India whose equity shares are not listed on any stock exchange and whose income or net worth (i.e. paid up capital and free reserve) exceeds 20% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

Compliance in the event a subsidiary is a Material Subsidiary:

- One Independent Director of the Company shall be a director on the Board of the material non-listed Indian Subsidiary Company.
- The management shall on a quarterly basis, place at the Board meeting for information and attention of the Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the Material Subsidiary.

Disposal of Material Subsidiary:

The Company, without the prior approval of the members by Special Resolution, shall not:

- Dispose shares in Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50%; or
- Cease to exercise of control over the Material Subsidiary; or
- Sell, dispose off or lease the assets amounting to more than twenty percent of the assets of the Material Subsidiary.

However, the approval as above shall not be required in cases where such divestment or sale/disposal/lease is made under a scheme of arrangement duly approved by a court/tribunal.

Disclosures:

The Company shall disclose the policy on Material Subsidiaries on its website and a web link thereto shall be provided in the Annual Report.

Amendment:

The Company may amend this Policy as and when deemed fit. Any and all provisions of this Policy shall also be amended as are required due to any regulatory changes from time to time.

In case any amendment(s), clarification(s), circular(s) and guideline(s) issued by Securities and Exchange Board of India/Stock Exchanges, not being consistent with the provisions laid down under this Policy, then the provisions of such amendment(s), clarification(s), circular(s) and the guideline(s) shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly effective from the date as laid down under such amendment(s), clarification(s), circular(s) and guideline(s).