

30th September, 2014

Department of Corporate Services
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 001

Dear Sir/Ma'm,

Sub: Policy to determine material subsidiaries under Revised Clause 49
(Scrip ID – SRSREAL, Scrip Code – 533305)

Please find attached herewith a copy of Policy to determine Material subsidiaries formulated and adopted by the Board on 30th September, 2014.

Thanking You,

Yours faithfully
For **SRS Real Infrastructure Ltd.**

Shweta Marwah
(Shweta Marwah)
Company Secretary
M.No.ACS-18730



POLICY ON MATERIAL SUBSIDIARY (IES)

SRS REAL INFRASTRUCTURE LTD.

(Adopted on 30.09.2014)



SRS REAL INFRASTRUCTURE LIMITED

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CIN: - L65910HR1990PLC040431

POLICY ON MATERIAL SUBSIDIARY (IES)

1. Introduction

The Board of Directors (the "Board") of SRS Real Infrastructure Ltd. (the "Company") has adopted the following policy and procedures with regard to determination of Material Subsidiaries as defined below. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company effective 1st October 2014. This Policy is in terms of Clause 49 of the Listing Agreement with the Stock Exchanges.

2. Policy Objective

The objective is to determine the material subsidiary (ies) of SRS Real Infrastructure Ltd. and to provide the governance framework for such subsidiary (ies).

3. Definitions

"Audit Committee or Committee" means "Audit Committee" constituted by the Board of Directors of the Company, from time to time, under provisions of Listing Agreement with the Stock Exchanges and the Companies Act, 2013.

"Board of Director" or **"Board"** means the Board of Directors of SRS Real Infrastructure Ltd., as constituted from time to time.

"Company" means a company incorporated under the Companies Act, 2013 or under any previous company law.

"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 other criteria for independence under the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.

"Policy" means Policy on Material Subsidiary.

Material Non Listed Indian Subsidiary shall mean an unlisted subsidiary, incorporated in India.

"Significant Transaction or Arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the material unlisted subsidiary for the immediately preceding accounting year.

"Subsidiary" shall be as defined under the Companies Act, 2013 and the Rules made thereunder.

4. Policy

1. A subsidiary shall be a **Material Subsidiary**, if any of the following conditions are satisfied:



- a. In which the Investment of the Company/Proposed Investment, exceeds 20% of its consolidated net worth as per the audited balance sheet of the previous financial year; or
 - b. Which have generated twenty per cent of the consolidated income of the Company during the previous financial year.
2. One **Independent Director** of the Company shall be a Director on the Board of the Material Non-Listed Indian Subsidiary Company.
 3. The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company on an annual basis.
 4. The minutes of the Board Meetings of the Unlisted Subsidiary Companies shall be placed before the Board of the Company on quarterly basis.
 5. The management shall on quarterly basis bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary company.
 6. The management shall present to the Audit Committee annually the list of such subsidiaries together with the details of the materiality defined herein. The Audit Committee shall review the same and make suitable recommendations to the Board including recommendation for appointment of Independent Director in the Material Non- Listed Indian Subsidiary.

5. Disposal of Material Subsidiary

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

- a. dispose of shares in Material Subsidiaries that reduces its shareholding (either on its own or together with other subsidiaries) to less than 50%; or
- b. ceases the exercise of control over the Subsidiary; or
- c. sell, dispose or lease the assets amounting to more than twenty percent of the assets of the material subsidiary.

6. Disclosures

The Policy for determining material subsidiaries is to be disclosed to the Stock Exchanges and in the Annual Report of the Company, as per the provisions of laws in force. The policy shall also be uploaded on the website of the Company at www.srsparivar.com.

7. Policy Review


This Policy is framed based on the provisions of the Companies Act, 2013, and rules made thereunder and the requirements of the proposed Clause 49 of the Listing Agreement with the stock exchanges as on September 30, 2014.

In case of any subsequent changes in the provisions of the Companies Act, 2013, or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.



For SRS Real Infrastructure Ltd.

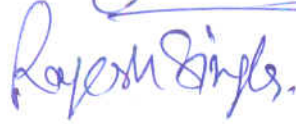
Dr. Anil Jindal



Sh. Jitender Kumar Garg



Sh. Rajesh Singla



Sh. Parveen Tayal



Sh. Ankit Garg



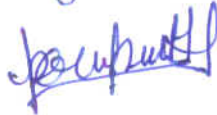
Sh. Kailash Tayal



Sh. Praveen Sharma



Sh. Praveen Gupta



Sh. Dilip Singh



Ms. Kiran Arora

