

POLICY ON MATERIAL SUBSIDIARY

SRS LIMITED

(Adopted on 10.02.2016)



POLICY ON MATERIAL SUBSIDIARY

1. Introduction

The Board of Directors (the “**Board**”) of SRS Limited (the “**Company**”) has adopted the following policy and procedures with regard to determination of Material Subsidiary as defined below. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company effective **10th February, 2016**. This Policy is in terms of Regulation 16(1) (c) read with Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Policy Objective

The objective is to determine the material subsidiary of the Company and to provide the governance framework for such subsidiary.

3. Definitions

“**Audit Committee or Committee**” means “Audit Committee” constituted by the Board of Directors of the Company, from time to time, under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the erstwhile Companies Act, 1956.

“**Board of Director**” or “**Board**” means the Board of Directors of SRS Limited 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**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 its income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting 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 Company 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 subsidiary 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 as per the requirement of Regulation 16(1) (c) read with Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

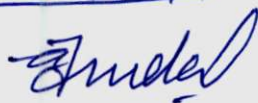
In case of any subsequent changes in the provisions of the Companies Act, 2013, or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or Regulations, the provisions of the Act or Regulations would prevail over the Policy and the provisions in the Policy would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

For SRS Limited

Dr. Anil Jindal



Sh. Sunil Jindal



Sh. Vinod Kumar



Sh. Raju Bansal

Raju Bansal.

Sh. Jitender Kumar Garg

Jitender Kumar Garg

Sh. Praveen Kumar Kapoor

Praveen Kumar Kapoor

Sh. Shiv Mohan Gupta

Shiv Mohan Gupta

Sh. Lalit Kumar

Lalit Kumar

Sh. Praveen Gupta

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Sh. Jogindar Lal Chhabra

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Ms. Anjali Trehan

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