



**GVK POWER & INFRASTRUCTURE LIMITED**

**POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

(As approved by the Board of Directors on 16<sup>th</sup> May, 2015)

## **INTRODUCTION**

In accordance with the provisions of Clause 49 of the Listing Agreement, the Company has formulated this policy for determining material subsidiaries of the Company.

## **SCOPE AND EXCLUSION**

This policy sets out the criteria for determining the material subsidiaries.

## **POLICY**

A subsidiary shall be called as 'material' if—

- The investment of the Company in the subsidiary exceeds 20% of its consolidated net worth as per the audited balance sheet of the previous financial year; or
- The Subsidiary has generated 20% of the consolidated income (revenue) of the Company during the previous financial year.