

Annexure-A
MATERIALITY POLICY

Identification of 'Material' Group Companies:

Requirement:

As per the requirements of the SEBI ICDR Regulations, "Group companies", wherever this term occurs, shall include such companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 and Indian Accounting Standard 24 issued by the Institute of Chartered Accountants of India) and also any other companies as considered material by the Board of Directors. The Policy on materiality, as below, shall be disclosed in the Offer Documents.

Policy on materiality:

1. [The companies which constitute part of the related parties of RITES Limited under Accounting Standard 18 and Indian Accounting Standard 24 as per the Restated Consolidated Financial Statements (except such companies whose accounts are consolidated in accordance with Accounting Standard 21 and Indian Accounting Standard 27 and the joint venture companies) for the last financial year.
2. Companies having 'material relationship' with RITES Limited shall be considered to be Group Companies. For the purposes of determining 'material relationship', the following criteria shall be adopted:
 - a. [Such companies in which RITES Limited holds 10% or more of shareholding; and
 - b. As regards non-quantifiable transactions, materiality to be determined on the basis of qualitative factors.]