

## RELATED PARTY TRANSACTIONS POLICY

### 1. INTRODUCTION

This Policy has been framed by the Company pursuant to Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to regulation 23 of SEBI (LODR) Regulation 2015. This Policy applies to transactions entered into with a Related Party on or after October 1, 2014, or any modifications effected on or after October 1, 2014 to subsisting transactions with Related Parties.

### 2. DEFINITIONS

- (a) **“Act”** means Companies Act, 2013 including any statutory modifications or re-enactments thereof;
- (b) **“Arm’s Length Transaction”** means a transaction between two related parties that is conducted as if they were unrelated.
- (c) **“Associate”** means a Company as defined under section 2(6) of the Companies Act, 2013 and as defined by Accounting Standard (AS) 23, “Accounting for Investments in Associates in Consolidated Financial Statements”.
- (d) **“Audit Committee”** means the Committee of the Board formed under section 177 of the Act and Clause 49(III) of the Listing Agreement.
- (e) **“Board”** means Board of Directors of the Company;
- (f) **“Body Corporate”** means an entity as defined in Section 2(11) of the Companies Act, 2013.
- (g) **“Ordinary course of business”** means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association.
- (h) **“Related Party”** with reference to the company, means an entity where:
  - (i) Such entity is a related party as defined under section 2(76) of the Companies Act, 2013; or
  - (ii) Such entity is a related party under the applicable accounting standards.
  - (iii) **“Related Party Transaction”** means a transaction between the company and a Related Party which transaction is of the nature specified in sub-clause (a) to (g) of section 188(1) of the Companies Act, 2013, or is a related party transaction as understood under Regulation 23 of LODR Regulations 2015.

### 3. MANNER FOR DEALING WITH RELATED PARTY TRANSACTIONS

#### 3.1 Approval of Audit Committee

Every Related Party Transactions shall be subject to the prior approval of the Audit Committee of the Company. Any Member of the Committee who has a potential interest in any Related Party Transaction will abstain from any discussions or voting on such proposals.

Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provisions of the Companies Act, 2013 and of Regulation 23 of LODR Regulations 2015.

To review a Related Party Transaction, the Committee will be provided with all relevant material information including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

### **3.2 Board Processes in regard to Related Party Transactions**

The Company shall, with the approval of the Board of Directors, establish appropriate internal processes for the purpose of identification of Related Parties and any transactions with them, determination of whether the transaction(s) is in ordinary course of business, whether the transaction(s) is on an arm's length basis, monitoring "materiality" threshold, and other relevant matters to ensure adherence to this policy in entering into transactions with Related Parties.

## **4. DISCLOSURE**

- All Directors and KMPs of the Company are required to disclose to the Company their concern or interest in any Company, firm, body corporate or association of individuals in which they are deemed to be interested.
- Each director and KMP of the Company shall promptly notify the Company of any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.

## **5. APPROVAL OF SHAREHOLDERS**

All the RPTs which are not on arm's length and exceeds the threshold limits prescribed under the Act and the Listing Agreement as also all Material RPTs shall require Prior approval of Shareholders through special resolution.

All the Related parties shall abstain from voting on such resolutions.

## **6. AMENDMENT**

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Listing Agreement, Act or any law for the time being in force.