

POLICY ON RELATED PARTY TRANSACTIONS / DEALINGS

1. OBJECTIVE:

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

2. DEFINITIONS

- A. **"RELATED PARTY"** : means related party as defined under the Companies Act, 2013 read with Clause 49 of the Listing Agreement and as amended from time to time.
- B. **"RELATIVE"** means a relative as defined under the Companies Act, 2013
- a. Members of a Hindu undivided family;
 - b. Husband or wife;
 - c. Father (including step-father);
 - d. Mother (including step-mother);
 - e. Son (including step-son);
 - f. Son's wife;
 - g. Daughter;
 - h. Daughter's husband;
 - i. Brother (including step-brother); or
 - j. Sister (including step-sister).
- C. **"ARM'S LENGTH TRANSACTIONS"**: The expression "Arm's Length Transaction" shall mean:

- a. The transaction carried on between the Company and the Related Party on similar terms and conditions as of a unrelated, including the price, and
 - b. Such price charged for the transactions to a Related Party has is no case been influenced by the relationship and meets the criteria prescribed in Transfer Pricing Guidelines prescribed under the Income-tax Act, 1961.
- D. **"MATERIAL TRANSACTIONS"** : A Related Party Transaction(s) with a Related Party shall be considered material if the transaction(s) to be entered into with a Related Party individually or taken together with previous transaction(s) during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.
- E. **"TRANSACTION"** with a related party shall be construed to include a single transaction or a group of transactions.
- F. The terms **DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY**, shall have the same meaning as assigned under the Companies Act, 2013.

3. IDENTIFICATION OF RELATED PARTY TRANSACTIONS

Every Director and Key Managerial Personnel will be responsible for providing a declaration in the prescribed format containing the following information to the Company Secretary on an annual basis:

- 1) Names of his / her Relatives;
- 2) Partnership firms in which he / she or his / her Relative is a partner;
- 3) Private Companies in which he / she is a member or Director;
- 4) Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital;
- 5) Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his / her advice, directions or instructions; and
- 6) Persons on whose advice, directions or instructions, he / she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity).

Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in the above relationships, directorships, holdings, interests and / or controls immediately on him / her becoming aware of such changes.

4. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION

All Related Party Transactions shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation or through electronic mode. A member of the Committee who (if) has a potential interest in any Related Party Transaction will not remain present at the meeting or abstain from discussion and voting on such Related Party Transaction and shall not be counted in determining the presence of a quorum when such Transaction is considered.

I. CONSIDERATION BY THE COMMITTEE IN APPROVING THE PROPOSED TRANSACTIONS

While considering any transaction, the Committee shall take into account all relevant facts and circumstances 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.

II. APPROVAL BY THE BOARD

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

III. APPROVAL BY THE SHAREHOLDERS

The Material Related Party Transactions if any shall seek the Board approval before the approval of the shareholders through requisite resolution and the Related Parties shall abstain from voting on such resolution.

5. DISCLOSURES

Every Related Party Transaction entered into by the Company shall be referred to in the Board's report to the shareholders along with justification for entering into such transaction. The Company Secretary and the Chief Financial Officer shall be, responsible for such disclosure. The Company Secretary shall also make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

6. MISCELLANEOUS

- a. This Policy shall be deemed to have come into force w.e.f. date of its adoption by Audit Committee and approval by the Board.
- b. If any provision of this Policy contravenes any provision of the Act, and Clause 49, that provision of this Policy shall always be deemed to have been amended since inception in line with applicable provisions of the Companies Act and Rules there under, AS-18 and Clause 49 of the Listing Agreement with the Stock Exchange.
- c. The parties which are covered under the definition of Related Party in terms of the Accounting Standard - 18 issued by the Institute of Chartered Accountants of India

but not covered under the Policy, transactions with such party(ies) shall be governed in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

- d. This Policy can be amended, modified, or revised from time to time and if there is no bar under the Listing Agreement or the Act, then the same can be abrogated by the Board of Directors of the Company.