

POLICY ON RELATED PARTY TRANSACTIONS AND MATERIALITY OF RELATED PARTY TRANSACTIONS

The following policy shall be applicable for related party transactions :

1. The Company shall not enter into contracts or arrangement with a related party without approval of the Audit Committee.
2. The Term “Related Party” shall have meaning as assigned to it under Section 2 (76) of the Companies Act, 2013, as may be amended from time to time.

Presently, it is defined as under :

“related party”, with reference to a company, means—

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager is a member or director;
- (v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent. of its paid-up share capital;
- (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

- (viii) any company which is—(A) a holding, subsidiary or an associate company of such company; or (B) a subsidiary of a holding company to which it is also a subsidiary;
- (ix) such other person as may be prescribed;
3. The contract/arrangement shall be considered as “material related party contract/ arrangement” if the transaction/s to be entered into individually or taken together with previous transaction/s during a financial year with such related party exceeds 10% of Annual Consolidated Turnover Transactions of the Company as per the last audited financial statements of the Company.
4. All related party contract / arrangements shall comply with the Companies Act, 2013.
5. All related party contract / arrangements shall comply with the Listing Agreement.
6. All related party contract / arrangements shall comply with Accounting Standard.
