




CAPITAL

Related Party Transactions Policy

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1. Introduction

This Policy had been framed by the Company pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), which was effective from December 1, 2015 and Guidelines on Corporate Governance – Review issued by Reserve Bank of India. This Policy has been modified to comply with the requirements of amendments to the Listing Regulations. The revised Policy has been adopted by the Board of Directors at their meeting held on August 10, 2018. The Policy shall apply to transactions entered into with a Related Party on or after April 1, 2019.

2. Definitions


- (a) “Act” means Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof;
- (b) “Board” means Board of Directors of the Company;
- (c) “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 Act; and
 - (ii) Such entity is a related party as defined under Regulation 2(zb) of the Listing Regulations.
- (d) “Related Party Transaction” means a transaction between the Company and a Related Party which transaction is of the nature specified in sub-clauses (a) to (g) of Section 188(1) of the Act or is a related party transaction as defined under Regulation 2(zc) read with Regulation 23 of the Listing Regulations.

3. Transactions between Company & Related Parties & Materiality Threshold

Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provisions of the Act and Regulation 23 of the Listing Regulations, as amended, from time to time.

A transaction with the Related Party shall be treated as “material” if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year with such Related Party exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

Notwithstanding the above, a transaction involving payments made to a Related Party with respect to brand usage or royalty shall be considered material, if the transaction(s) to be entered into individually

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or taken together with previous transactions during a financial year, exceed 2% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the Company.

4. Process for dealing with 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 the 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 while entering into transactions with Related Parties.

5. 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 Act or Listing Regulations or any applicable law for the time being in force.