

**SOP/POLICY ON RELATED PARTY TRANSACTIONS W.E.F. 01.04.2023**

Approved by Board of Directors at its meeting held on 27.03.2023, on the recommendation of Audit Committee.

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| <p><u>Preamble</u></p>                                                          | <p>The Board of Directors of the Company ("Board"), acting upon the recommendation of its Audit Committee of Directors ("Committee"), has approved the following policy and procedures with regard to Related Party Transactions for reviewing, approving and ratifying Related Party transactions and in providing disclosures with respect to the above transactions, as required under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("<b>Listing Regulations, 2015</b>") as amended from time to time and other applicable provisions, rules and regulations made there under.</p> <p>The Board has approved the policy for Related Party Transactions (in compliance with the requirements of the Companies Act, 2013 ("<b>Act</b>") and Rules made thereunder, in terms of Indian Accounting Standard - 24 ("<b>Ind-AS 24</b>") issued by the ICAI (Institute of Chartered Accountants of India) and any subsequent amendments thereto), in terms of Regulation 23 of Listing Regulations, 2015, RBI guidelines and other applicable SEBI Regulations etc., undertaken by the Company in order to ensure the transparency and substantive and procedural fairness of such transactions.</p> |
| <p><u>Applicability</u></p>                                                     | <p>This policy shall come into force with effect from 01.04.2023 and shall be applicable to transactions made with:-</p> <ul style="list-style-type: none"><li>(a) Board of Directors &amp; their Relatives;</li><li>(b) Key Managerial Personnel (KMP) of the Company &amp; their Relatives; and</li><li>(c) Related Parties, as defined hereinafter.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Definitions</b>                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p><b>(a) "Key Managerial Personnel"</b><br/><br/>Section 2(51) of the Act.</p> | <p>"Key Managerial Personnel" includes:</p> <ul style="list-style-type: none"><li>1. the Chief Executive Officer or the Managing Director or the Manager (as defined in Section 2(53) of the Act);</li><li>2. the Company Secretary;</li><li>3. the Whole-time Director;</li><li>4. the Chief Financial Officer.</li><li>5. such other officer not more than one level below the director who is in whole-time employment, designated as key managerial personnel by the Board and</li><li>6. such other officer as may be prescribed.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p><b>(b) "Relative"</b><br/><br/>Section 2(77) of the Act and</p>              | <p>A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-</p> <ul style="list-style-type: none"><li>1. Members of HUF</li><li>2. Spouse</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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| <p>Rule 4 of Companies (specification of definitions details) Rules, 2014.</p> | <p>3. Father:<br/>Provided that the term “Father” includes step-father.<br/>4. Mother:<br/>Provided that the term “Mother” includes the step- mother.<br/>5. Son:<br/>Provided that the term “Son” includes the step-son.<br/>6.Son’s wife 7.Daughter 8.Daughter’s husband 9.Brother:<br/>Provided that the term “Brother” includes the step- brother.<br/>10.Sister:<br/>Provided that the term “Sister” includes the step-sister</p>                                                                                                                                                                                                                                                                                                                   |
| <p><b>(c) “Office or place of profit”</b><br/><br/>Section 188 of the Act.</p> | <p><b>“Office or place of profit”</b> means any office or place –</p> <p>(i) where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;</p> <p>(ii) where such office or place is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise.</p> |
| <p><b>(d) “Arm’s length transaction”</b><br/><br/>Section 188 of the Act.</p>  | <p><b>“Arm’s length transaction”</b> means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>(e) “Associate Company”</b><br/>Section 2(6) of the Act.</p>             | <p><b>“Associate Company”</b> means a company in which the Company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.</p> <p>Explanation. – “significant influence” means control of at least twenty per cent. of total voting power, or control of or participation in business decisions under an agreement.</p>                                                                                                                                                                                                                                                                                                                                            |
| <p><b>Associate under Para 4 of IndAS 28</b></p>                               | <p>An associate is an entity over which the investor has significant influence.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p><b>Joint Venture under Para 4 of Ind-AS 28</b></p>                          | <p>A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.</p> <p>A joint arrangement is an arrangement of which two or more parties have joint control.</p> <p>Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant</p>                                                                                                                                                                                                                                                                                                                                                  |

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|                                                                                                                                                     | activities require the unanimous consent of the parties sharing control.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>(f) “ Material Related Party Transaction”</b></p> <p>Regulation 23 of Listing Regulations, 2015</p>                                           | <p>A related party transaction shall be considered material if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1000 crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.</p> <p>Provided a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p><b>(g) Related Parties</b></p> <p>Under Section 2(76) of the Act and Rule 4 of Companies (specification of definitions details) Rules, 2014.</p> | <p>(i) a director or his relative;</p> <p>(ii) a key managerial personnel or his relative;</p> <p>(iii) a director (other than independent director) or KMP of holding Company or his relative</p> <p>(iv) a firm, in which a director, manager or his relative is a partner;</p> <p>(v) a private company in which a director or manager or his relative is a member or director;</p> <p>(vi) a public company in which a director or manager is a director and holds with his relatives, more than two per cent of its paid-up share capital;</p> <p>(vii) 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</p> <p>(viii) any person on whose advice, directions or instructions a director or manager is accustomed to act:</p> <p>Provided that nothing in sub-clauses (vii) and (viii) shall apply to the advice, directions or instructions given in a professional capacity.</p> <p>(ix) any body corporate which is –</p> <ol style="list-style-type: none"> <li>a holding, subsidiary or an associate company of such company; or</li> <li>a subsidiary of a holding company to which it is also a subsidiary; or</li> <li>an investing company or the venturer of the company</li> </ol> <p>Explanation. – For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result</p> |

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| <p>Related Party under Regulation 2 (1)(zb) of Listing Regulations, 2015</p> | <p>in the company becoming an associate company of the body corporate.</p> <p>(x) Such other person, as may be prescribed by MCA/SEBI.</p> <p>Under said Regulation, an entity shall be considered as related to the company if -</p> <ol style="list-style-type: none"> <li>1. such entity is a related party under Section 2(76) of the Act; or</li> <li>2. such person or entity is forming part of promoter or promoter group; or</li> <li>3. Such person or entity holding equity shares of 10% or more in the Company either directly or on a beneficial interest basis as provided under Section 89 of the Act, at any time during the immediate preceding financial year.</li> <li>4. such entity is a related party under the applicable accounting standards (given below).</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p>Related Party under Ind-AS 24</p>                                         | <p>Applicable for listed companies and for disclosures under the Standard to Person or entity that is related to the company. A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').:</p> <ol style="list-style-type: none"> <li>(a) A person or a close member of that person's family is related to a reporting entity if that person: <ol style="list-style-type: none"> <li>i. has control or joint control of the reporting entity;</li> <li>ii. has significant influence over the reporting entity; or</li> <li>iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.</li> </ol> </li> <li>(b) An entity is related to a reporting entity if any of the following conditions applies: <ol style="list-style-type: none"> <li>i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).</li> <li>ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).</li> <li>iii. Both entities are joint ventures of the same third party.</li> <li>iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.</li> <li>v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers</li> </ol> </li> </ol> |

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|                                                                                                                                                                                             | <p>are also related to the reporting entity.</p> <ul style="list-style-type: none"> <li>vi. The entity is controlled or jointly controlled by a person identified in (a).</li> <li>vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</li> <li>viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.</li> </ul> <p>Further, under Ind-AS 24, in the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p>Definition of Close Member under Ind-AS 24</p>                                                                                                                                           | <p>Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including: (a) that person's children, spouse or domestic partner, brother, sister, father and mother; (b) children of that person's spouse or domestic partner; and (c) dependents of that person or that person's spouse or domestic partner.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>Any other term not defined herein shall have the same meaning as defined in the Act , Rules issued thereunder, the Listing Regulations, 2015 and the respective Accounting Standard.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p><b><u>Details required for ascertaining related party</u></b></p>                                                                                                                        | <p><b>The following details shall be required:</b></p> <ol style="list-style-type: none"> <li>1. Declaration/Disclosure of interest by all the Directors and KMPs' in form MBP-1.</li> <li>2. Declaration of relatives by all Directors and KMPs'.</li> <li>3. Declaration about a firm in which a Director/ Manager or his relative is a partner.</li> <li>4. Declaration about a private Company in which a Director or Manager or his relative is a member or director.</li> <li>5. Declaration regarding a public company in which a Director or manager is a Director and holds along with the relatives more than 2% of the paid-up share capital.</li> <li>6. Notices from Directors of any change in particulars of Directorship or in other positions during the year.</li> <li>7. Declaration by Holding Company regarding its Directors/ KMPs' and their relatives.</li> <li>8. Details of 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 of the Company.</li> <li>9. Details of any person on whose advice, directions or instructions a director or manager is accustomed to act:<br/>Provided that nothing in point no.8 &amp; 9 shall apply to the advice, directions or instructions given in a professional</li> </ol> |

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|                                                   | <p>capacity.</p> <p>10. Details of any Company which is</p> <ol style="list-style-type: none"> <li>a) a holding, subsidiary or an associate company of such company; or</li> <li>b) a subsidiary of a holding company to which it is also a subsidiary.</li> </ol> <p>11. Persons/entities identified under Ind-AS 24.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b><u>Type of Transactions covered</u></b></p> | <p>a) Under Section 188 of the Act, following transactions will be covered -</p> <ol style="list-style-type: none"> <li>1. Sale, purchase or supply of any goods or materials;</li> <li>2. selling or otherwise disposing of, or buying, property of any kind;</li> <li>3. leasing of property of any kind;</li> <li>4. availing or rendering of any services;</li> <li>5. appointment of any agent for purchase or sale of goods, materials, services or property etc.</li> <li>6. such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company;</li> <li>7. underwriting the subscription of any securities or derivatives thereof, of the company.</li> </ol> <p>b) Under Regulation 2 (1)(zc) of Listing Regulations, 2015, following shall be covered regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract -</p> <ol style="list-style-type: none"> <li>(i) Transfer of resources, services or obligations between the Company and a related party; or</li> <li>(ii) Transfer of resources, services or obligations between the Company and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity.</li> </ol> <p>Provided that the following shall not be a related party transaction:</p> <ol style="list-style-type: none"> <li>a. The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;</li> <li>b. the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding: <ol style="list-style-type: none"> <li>i. payment of dividend;</li> <li>ii. Sub-division or consolidation of securities;</li> </ol> </li> </ol> |

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|                                                            | <ul style="list-style-type: none"> <li>iii. issuance of securities by way of a rights issue or a bonus issue; and</li> <li>iv. buy-back of securities</li> </ul> <p>Under Ind-AS 24, all transactions involving transfer of resources or obligations between the Company and its related parties, regardless of whether or not a price is charged. To name a few, following will be covered –</p> <ul style="list-style-type: none"> <li>(i) purchases or sales of goods;</li> <li>(ii) purchases or sales of property and other assets;</li> <li>(iii) rendering or receiving of services;</li> <li>(iv) leases</li> <li>(v) transfer of research and development;</li> <li>(vi) Transfer under license agreements;</li> <li>(vii) Transfer under finance (including loans and equity contributions in cash or in kind);</li> <li>(viii) guarantees and collaterals;</li> <li>(ix) Commitments to do something if a particular event occurs or does not occur in the future, including executory contracts (recognised and unrecognised);</li> <li>(x) settlement of liabilities on behalf of the entity or by the entity on behalf of that related party; and</li> <li>(xi) management contracts including for deputation of employees.</li> </ul> |
| <p><b>Process for ascertaining related party</b></p>       | <p>Secretarial Department to prepare the list of Related Parties on the basis of aforesaid information. Concurrent auditors to verify the process of ascertaining the Related Parties and their correct recording /listing in register of Contracts/arrangement etc. as per the Section 189 of the Act and Rules thereof as well as classification of related party transactions regarding whether they are in ordinary</p> <p>b) course of business and on at arm’s length basis.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b>Circulating of above list of related parties</b></p> | <p>The aforesaid list shall be circulated to MD /CEO’s/ COO’s/ED/CFO/Business Heads/ Department Heads/ Branch Heads, the Finance &amp; Accounts Department and Concurrent Auditor.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b>Procedure of seeking approval</b></p>                | <p>Functional departmental heads shall submit to the CFO and Company Secretary the details of proposed transaction with details/draft contract/ draft agreement or other supporting documents justifying that the transactions are on arms’ length basis in an ordinary course of business at prevailing market rate. Based on this note, Company Secretary will appropriately take it up for necessary prior approvals from the Audit Committee at its next meeting and convey back the decision to the originator. The suggested list of records and supporting documents is detailed</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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|                                                                                                                         | <p>separately in this policy.</p> <p>If the proposed transaction is not in ordinary course of business but at arms' length basis, then the Functional departmental heads shall give a detailed note with justification to ED/CFO and CS for entering such transaction alongwith details of proposed transaction with draft agreement/ MoU/other supporting documents. Based on this note, the ED/CFO and CS will discuss the matter with MD so as to escalate the matter further with Audit Committee, Board and then to shareholders for their respective prior approvals.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p><b><u>Approval of transactions</u></b></p> <p><b>(A) <u>Approval of transactions through Audit Committee</u></b></p> | <p>Prior approval of Audit Committee for all Related Party Transactions and all subsequent material modifications.</p> <p>Material Modifications shall mean change/modification in the aggregate value of transaction approved by the Audit Committee/Board/shareholders, as the case may be, for an amount exceeding 20% but not exceeding Rs. 1000 crore-</p> <p>Provided that Audit Committee may while granting approval to any related party transaction, outline the specific criteria for determining material modification for the said transaction.</p> <p>Further, the Audit Committee may also grant an omnibus approval for a period of maximum one year for those proposed related party transactions, which are in ordinary course of business and at arms' length and are repetitive in nature (for e.g. sale/purchase of securities etc), subject to the following conditions -</p> <p>The proposal to be placed before the Audit Committee should contain following information -</p> <ol style="list-style-type: none"> <li>a) The name(s) of related party, nature of transactions, period/duration of transactions, maximum amount of per transaction that can be entered into and maximum value of the transactions in aggregate which can be allowed under the omnibus route in a financial year;</li> <li>b) The indicative base price/current contracted price and the formula for variation in the price, if any; and</li> <li>c) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.</li> </ol> <p>Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may make omnibus approval for such transactions subject to their value not exceeding rupees one crore per</p> |



transaction.

Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.

All transactions entered into above omnibus approval, be put up to the Audit Committee on quarterly basis for its review. All the related party transactions entered under omnibus route be certified by the Concurrent Auditors on quarterly basis.

In case of non-repetitive transactions, the agenda of the Audit Committee at which the item is proposed to be moved shall disclose-

- a) the name of the related party and nature of relationship;
- b) the nature, duration/period of the contract and particulars of the contract or arrangement;
- c) the material terms of the contract or arrangement including the value, if any;
- d) any advance paid or received for the contract or arrangement, if any;
- e) the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
- f) whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;
- g) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction; and
- h) statement of transactions as per the contracts/arrangements.

Where any director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement. The MD, ED/CFO should certify whether the contracts/transactions are at arm's length. Similarly the concurrent auditors should examine the entire documentation and certify the same.

**(B) Approval of transactions through Board of Directors**

Approval of the Board is required:

1. for all contracts/arrangements/transactions which are not on arm's length basis or are not in ordinary course of

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| <p><b><u>(C) Approval of transactions through shareholders</u></b></p> | <p>business;</p> <p>2. For all “material“ related party transactions. These have to be approved by the shareholders through Ordinary Resolution; therefore they should first be approved by the Board.</p> <p><b>The agenda of the Board meeting</b> at which the resolution is proposed to be moved shall disclose-</p> <ul style="list-style-type: none"> <li>(a) the name of the related party and nature of relationship;</li> <li>(b) the nature, duration of the contract and particulars of the contract or arrangement;</li> <li>(c) the material terms of the contract or arrangement including the value, if any;</li> <li>(d) any advance paid or received for the contract or arrangement, if any;</li> <li>(e) the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;</li> <li>(f) whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and</li> <li>(g) any other information relevant or important for the Board to take a decision on the proposed transaction.</li> <li>(h) Statement of transactions as per the contracts/ arrangements.</li> </ul> <p>Where any director is interested in any contract or arrangement with a related party, such director should not be present at the meeting during discussions on the agenda item relating to such contract or arrangement.</p> <p>Except with prior approval of shareholders, the Company shall not enter into transaction(s), where the transaction(s) to be entered into as contracts or arrangements with respect to Section 188(1)(a) to (e) of the Act, with the criteria as mentioned below -</p> <ul style="list-style-type: none"> <li>i. sale, purchase or supply of any goods or materials, directly or through appointment of agent, amounting to ten per cent or more of the turnover of the company, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188;</li> <li>ii. selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten per cent or more of the turnover of the company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188;</li> </ul> |
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- iii. leasing of property of any kind amounting to ten per cent or more of the turnover of the company, as mentioned in clause (c) of sub-section (1) of section 188;
- iv. availing or rendering of any services, directly or through appointment of agent, amounting to ten per cent or more of the turnover of the company, as mentioned in clause (d) and clause (e) respectively of sub- section (1) of section 188:

Explanation. – It is hereby clarified that the limits specified in sub-clauses (i) to (iv) shall apply for transaction(s) to be entered into either individually or taken together with the previous transactions during a financial year.

(b) is for appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and half lakh rupees as mentioned in clause (f) of sub- section (1) of section 188; or

is for remuneration for underwriting the subscription of any securities or derivatives thereof, of the company exceeding one per cent of the net worth as mentioned in clause (g) of sub-section (1) of section 188.

Explanation.- The Turnover or Net Worth referred in the above sub-rules shall be computed on the basis of the Audited Financial Statement of the preceding Financial year.

The explanatory statement to be annexed to the notice of a general meeting convened pursuant to section 101 shall contain the following particulars namely:-

- (a) name of the related party ;
- (b) name of the director or key managerial personnel who is related, if any;
- (c) nature of relationship;
- (d) nature, material terms, monetary value and particulars of the contract or arrangement;
- (e) any other information relevant or important for the members to take a decision on the proposed resolution.

Apart from the above, even related party transactions that are in the ordinary course of business and at arm's length would require shareholders' prior approval by way of an ordinary resolution if they are 'material' within the meaning of Regulation 23 of Listing Regulations, 2015. All subsequent material modifications to such transaction(s) as defined in this policy shall also require prior approval of shareholders. Thus, Mid Office will keep track of all the related party transactions

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|                                                                         | <p>and monitor the exercise of limits approved by the Audit Committee, Board and shareholders, on regular basis. Mid Office shall report to MD &amp; CEO with information to CFO and CS so that the CFO and CS can take required shareholder approval well in advance so as to ensure compliance of Regulation 23 of Listing Regulations, 2015 on material related party transactions. concurrent auditor shall also ascertain if shareholder approval is required under the Act and /or Regulation 23 of Listing Regulations, 2015 and report to Audit Committee on monthly basis.</p> <p>Note:</p> <ol style="list-style-type: none"> <li>1. Only those members of Audit Committee who are independent directors shall approve related party transactions in the Audit Committee Meeting.</li> <li>2. Any director who is concerned or interested in any contracts/ transactions with a related party, such Director shall not be present at the Audit Committee / Board Meeting during discussion on the subject matter of the resolution relating to such contract/transactions and shall not be entitled to vote for such item in General Meeting if he is a shareholder of the Company.</li> <li>3. No member of the Company shall vote on ordinary resolution, to approve any contract or arrangement which may be entered by the Company, if such member is related party.</li> </ol> <p>Note: The Audit Committee, Board and Shareholders while approving any related party transaction shall be provided with such other information as may be required under the Act, Listing Regulations and SEBI circulars, as amended from time to time.</p> |
| <p><b><u>Related party transactions details</u></b></p>                 | <p>The Finance &amp; Accounts Department shall provide a list of transactions with Related Party on a monthly basis to the Secretarial Department and concurrent Auditor within 7 days of close of each month and the same shall be reviewed by the concurrent/statutory auditors along with Quarter end balance confirmation/ reconciliation statements and placed before the Audit Committee.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>Threshold Limit under Regulation 23 of Listing Regulations, 2015</p> | <p>The Related Party Transactions per related party during a financial year shall not exceed 10 %of the consolidated turnover of the Company during the last financial year.</p> <p>However, 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 or taken together with previous transactions during a financial year, exceed 5% of the annual consolidated turnover of the</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

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|                                                                       | <p>Company as per the last audited financial statements of the Company.</p> <p>The aforesaid turnover shall be determined as per the last audited consolidated financial statements of the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b><u>Disclosure</u></b>                                              | <ol style="list-style-type: none"> <li>1. Details of contract(s) or arrangement(s) have to be disclosed in the Board's Report along with the justification as per Form AOC-2. (Place the said form before Audit Committee for its review and then to the Board as part of Directors' report for approval)</li> <li>2. Company shall keep a register in Form MBP - 4 [Pursuant to Section 189(1) and rule 16(1)] giving the particulars of all such contracts or arrangements in such manner and containing particulars as may be required under Section 189 and Rules made thereunder. After entering the particulars, the same shall be authenticated by the CFO and the Company Secretary of the Company and thereafter the same shall be placed before the next meeting of the Board and signed by all the directors present at the meeting.</li> <li>3. Necessary disclosures be made in the Annual Financial Statements as required under Ind-AS 24 and RBI guidelines. Further, as required under Regulation 23 of the Listing Regulations, 2015 and necessary details of all materially significant related party transactions', which may have potential conflict with the interests of the Company at large, be also given in 'Report on Corporate Governance' section in Annual Report.</li> <li>4. Details of transactions with related parties shall be disclosed quarterly along with the compliance report on Corporate Governance.</li> <li>5. Details of all related party transactions to be disclosed for the half year, to the stock exchange(s) on the date of publication of its standalone and consolidated financial results and also publish the same on its website.</li> <li>6. The Company shall disclose the policy on dealing with Related Party Transactions on its website and also in the annual Report.</li> </ol> |
| <b><u>Records relating to Related Party/ Supporting documents</u></b> | All disclosures, documents, supporting etc., shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Secretary of the Company or any other person authorized by the Board for the purpose.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b><u>(a) Rent Agreement</u></b>                                      | <ol style="list-style-type: none"> <li>(i) Copy of draft agreement.</li> <li>(ii) Quotation from a property dealer/ advisor in the area in which the property is located or a nearby area.</li> <li>(iii) If quoted prices are substantially lower / higher than existing, to seek second quotation.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b><u>(b) Purchase/ sale of property</u></b>                          | (i) Valuation reports from atleast 2 independent valuers to                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

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|                                                                 | <p>ascertain Fair Market Value.</p> <p>(ii) Quotations from 2 independent property dealers/brokers.</p> <p>(iii) Draft copy of agreement to sell/Draft of proposed sale deed.</p> <p>(iv) Brief terms and conditions and justification of such transaction.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>(c) <u>Purchase/sale of material, goods etc.</u></b>         | <p>(i) Copy of agreements/Purchase Orders/ correspondence exchanged/ letters of exchange / bills/ invoices etc.</p> <p>(ii) Invoices/ bills of similar transactions on same date or nearby date with un-related parties from the seller.</p> <p>(iii) Quotation from un-related service provider.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>(d) <u>Availing/Rendering Services</u></b>                   | <p>(i) Copy of Agreement/ MOU/ Correspondence etc.</p> <p>(ii) Supportings justifying the transaction on arms length basis.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>(e) <u>Loans/ Advances given or taken</u></b>                | <p>(i) Compliance of Section 185 and other applicable provisions of the Act and rules thereunder.</p> <p>(ii) Agreements</p> <p>(iii) Statutory approvals wherever required.</p> <p>(iv) Rate of Interest and justification for the same in view of nearest prevailing G-SEC rate for the term of the Loans/ Advances (wherever applicable).</p>                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>(f) <u>Subscription to shares/ debentures/securities</u></b> | Valuation Report or documents justifying that subscription is done/received at a rate on which placement has been made/shall be made to an un-related party.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>(g) <u>Guarantee/ Securities</u></b>                         | <p>(i) Compliance of Section 185, 186 and other applicable provisions of the Act and rules thereunder.</p> <p>(ii) Agreements.</p> <p>(iii) Other documents justifying the same.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>(h) <u>Other transactions</u></b>                            | Agreements or other supporting documents along with proper justification of the transaction being on arm's length basis in the ordinary course of business at a prevailing market rate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Ratification of Related Party Transactions</b>               | <p><b>By Audit Committee</b></p> <p>In the event the Company comes to know of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Committee shall consider all the relevant facts &amp; circumstances regarding the said transaction and shall evaluate all options available with the Company including revision, ratification etc. of the Related Party Transaction.</p> <p>In case the Committee decides not to ratify a Related Party Transaction that has been commenced without approval, the Committee, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.</p> |

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|                                                                   | <p><b>By Board of Directors and shareholders</b></p> <p>If any related party transaction is entered without obtaining the consent of the Board or Shareholders, as the case may be, the same need to be get ratified by the Board or the shareholders, as the case may be, within three months from the date on which such related party transaction was entered into. The Board shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to it under this Policy and shall take any such action it deems appropriate.</p> <p>If the related party transaction has not ratified by Board or Shareholders as mentioned above, such related party transaction shall be voidable at the option of the Board or, as the case may be, of the Shareholders and if the related party transaction is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.</p> <p>If the Audit Committee/Board/Shareholders decides, not to ratify a particular transaction, then it may direct additional actions in accordance with this Policy.</p> |
| <p><b>Indemnity against losses to the Company and penalty</b></p> | <p>If the contract/ arrangement is with a party related to a Director, or is authorized by another Director, then the concerned Directors shall indemnify the Company against any losses incurred by it.</p> <p>The Company can also proceed against a Director or any other employee for recovery of any loss sustained by it as a result of a contract/ arrangement entered into by such person in contravention of the provisions of the law relating to Related Party Transactions.</p> <p>The Director or employee of the Company, who had entered or authorised the contract or arrangement in violation of the provisions of the Act shall be liable to a penalty of Rs. 25 lakhs. Under SEBI Act, 1992, whosoever fails to comply with provisions shall be liable to a penalty which shall not be less than Rs. 1 lakh but which may extend to Rs. 1 Crore.</p>                                                                                                                                                                                                                                                                                                                                 |