

POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS
(“RPT POLICY”)
OF
GLOBALSPACE TECHNOLOGIES LIMITED

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INTRODUCTION

The Board of Directors (the “Board”) of GLOBALSPACE TECHNOLOGIES LIMITED (the “Company”), has adopted the following policy and procedures with regard to the Related Party Transactions as defined below.

Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Approval of related party transactions is prescribed under the Companies Act, 2013 (“Act”) read with the Companies (Meetings of Boards and its Powers Rules) Rules.

Also, SEBI (LODR) Regulations, 2015 requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions.

In light of the above, **Globalspace Technologies Limited** (“the Company”) has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions and to regulate transactions between the Company and its related parties based on the laws and regulations applicable on the company.

OBJECTIVES

Related party transactions have been one of the major areas of focus for corporate governance reforms being initiated in India. The changes introduced in the corporate governance norms through Section 188 of the Companies Act, 2013, as amended and the rules framed thereunder (“Companies Act”) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) require the companies to have enhanced transparency and due process for approval of the related party transactions. Pursuant thereto, Section 188 of the Companies Act and Regulation 23 of the SEBI Listing Regulations require the Company to formulate a policy on materiality of related party transactions and also on dealing with related party transactions including clear threshold limits duly approved by the Board.

The Audit Committee of the Company will review this policy on an annual basis and propose any modifications to the Board for approval.

This Policy has been framed to provide the governance framework for approval / ratification and reporting of Related Party Transactions to be entered into by the Company with the Related Parties and to set out the thresholds for Related Party Transactions. The provisions of this Policy are designed to govern the transparency of approval process and disclosures requirements to accord fairness in the treatment of Related Party Transactions.

Further the policy aims to set out the manner of dealing with the transactions between the Company and its related parties based on the Act, SEBI (LODR) Regulations, 2015 and any other laws and regulations as may be applicable to the Company.

DEFINITIONS

“**Act**” means the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force.

“**Applicable Law(s)**” includes (a) the Act and the rules made thereunder; (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any other statute, law,

standards, regulations or other governmental instruction relating to RPTs and amendments made thereto.

“Arm’s length transaction (‘ALP’)” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

“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 associate’s in consolidated financial Statements” and by Accounting Standard (AS) 18, “Related party disclosures”.

“Audit Committee or Committee” means the Committee of the Board formed under section 177 of the Act and Regulations 18 of Listing Regulations 2015.

“Board” in relation to a Company, means the collective body of Directors of the Company (Section 2(10) of the Companies Act, 2013).

“Control” shall have the same meaning as defined in Section 2(27) of Companies Act, 2013. Accordingly, control shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

Further as per Para 7 of Ind AS 110, an investor controls an investee if and only if the investor has all the following:

- (i) Power over the investee;
- (ii) Exposure, or rights, to variable returns from its involvement with the investee; and
- (iii) The ability to use its power over the investee to affect the amount of investor’s returns.

“Key Managerial Personnel” mean key managerial personnel as defined under Section 203 of the Companies Act, 2013 and includes:

- (i) The Chief Executive Officer or the managing director or the manager;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The Chief Financial Officer
- (v) Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) Such other officer as may be prescribed.

“Holding Company” means holding company as defined in Section 2(46) of the Companies Act, 2013. Accordingly, “holding company”, in relation to one or more other companies, means a company of which such companies are subsidiary companies.

"Joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

“Material Related Party Transaction(s)” in relation to the Company means a related party transaction which individually or taken together with previous transactions with a related party during a financial year, exceeds Rupees One Thousand Crore or ten per cent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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 individually or taken together with previous transactions during a financial year, exceeding five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

“Material Modification(s)” means and include any modification to an existing RPTs, in aggregate with a related party, having variance of 20% in value of the transaction already approved by the Audit Committee or Board or Shareholders, as the case may be, or such modification as may be decided by the Audit Committee.

“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 its Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

“Related Party” in relation to the company means a party related to the company in any of the ways as laid down in Section 2(76) of the Companies Act, 2013 or Regulation 2(1)(zb) of the SEBI (LODR), 2015 as amended from time to time and includes the following

- 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 or his relative 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. Anybody 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; [Except advice, directions or instructions given in a professional capacity]
- vii. Any person on whose advice, directions or instructions a director or manager is accustomed to act.[Except advice, directions or instructions given in a professional capacity]
- viii. Any body-corporate which is a holding, subsidiary or an associate company of such company; or a subsidiary of a holding company to which it is also a subsidiary or an investing company or the venturer of the company
- ix. A director other than an Independent Director or Key Managerial Personnel of the holding Company or his relative with reference to a Company.

Provided that:

- (a) any person or entity forming a part of the promoter or promoter group of the Company; or
- (b) any person or any entity, holding equity shares:
 - (i) of twenty per cent or more; or
 - (ii) of ten per cent or more, with effect from April 1, 2023;

in the Company either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party.

“Relative” with reference to any person, means who is related to another, if:-

- (i) They are members of a Hindu Undivided Family;
- (ii) They are Husband or wife or
- (iii) One person is related to the another in the following manner, namely:-
 - a. Father, includes step-father.
 - b. Mother, includes step-mother.
 - c. Son includes step-son.
 - d. Son’s wife.
 - e. Daughter.
 - f. Daughter’s husband.

- g. Brother includes step-brother.
- h. Sister includes step-sister.

“Related Party Transaction” (RPT) shall have the same meaning as specified under the Companies Act and Rules made thereunder and Regulation 2(1) (zc) of the SEBI LODR, as amended and shall mean a transaction involving a transfer of resources, services or obligations between:

- a) the Company or any of its subsidiaries on the one hand and a related party of the Company or any of its subsidiaries on the other hand;
- b) the Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries with effect from April 1, 2023,

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.

The following shall not be considered RPTs of the Company in terms of SEBI LODR:

- 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;
- b) payment of dividend by the Company;
- c) subdivision or consolidation of securities by the Company;
- d) issuance of securities by way of a rights issue or a bonus issue and
- e) buy-back of securities.

As per Section 188 of the Act shall mean contracts or arrangements with related party with respect to: -

- (a) Sale, purchase or supply of any goods or materials;
- (b) Selling or otherwise disposing of, or buying, property of any kind;
- (c) Leasing of property of any kind;
- (d) Availing or rendering of any services;
- (e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) Underwriting the subscription of any securities or derivatives thereof, of the Company.

“Collectively the Related Party Transaction shall constitute the above.”

“Office or Place of Profit” as per the Explanation (a) to Section 188 (1) of the Companies Act, 2013 means any office or place—

- (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;
- (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;

“Ordinary Course of Business” includes but not limited to activities that are necessary, normal, and incidental to the business.”

Material modifications: means any variation(s) on cumulative basis in the terms or value of

original approved contract by Rs. 1 Crore or more than 20% of overall contract value, whichever is Higher.

“Subsidiary” means a Company as defined under section 2(87) of the Companies Act, 2013 and as defined by Accounting Standard (AS) 23, “Accounting for Investments in Associates in Consolidated Financial Statements” and by Accounting Standard (AS) 18, “Related party disclosures”.

"Transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract.

Transactions in “ordinary course of business” shall mean and include-

- Transactions that are entered in the normal and usual course of business and are identical to the business of the company.
- Transactions that is reasonable in the context of the business of the company.
- Transactions that are part of the standard industry practice.
- Meets any other parameters/criteria as decided by the Board/Audit Committee from time to time.

IDENTIFICATION OF RELATED PARTIES:

1. The Company shall identify related parties as per the definition provided in the Act and SEBI LODR.
2. The Company shall obtain the list of related parties of its Subsidiary companies as per the definition provided in the Act and SEBI LODR.

IDENTIFICATION OF RELATED PARTY TRANSACTIONS:

- Each Director and Key Managerial Personnel is responsible for providing notice to the Board/Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative including any additional information about the transaction that the Board/Audit Committee may reasonably request. The Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.
- As regards transactions with Related Parties that require prior approval of the Board/Audit Committee, the Chief Financial Officer shall be responsible to notify the Board/ Audit Committee of any such potential Related Party Transactions.
- Such notice of any potential Related Party Transaction shall be given well in advance to the Board/ Audit Committee and shall also contain adequate information about the Related Party transaction(s). This will provide the Board/Audit Committee members adequate time and information to consider and review the proposed transaction(s).

IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS:

Each Director and Key Managerial Personnel is responsible for providing notice to the Board/Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. The Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

PROCEDURE FOR REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

Approval of the Audit Committee:

- All Related Party Transactions along with subsequent material modifications shall require prior approval of the Audit Committee either at a meeting or by resolutions by circulations.
- Any member of the committee who has potential interest in any related party transaction will in terms of Rule 15(2) of the Companies (Meeting of Board and its Powers) Rules, 2014 shall not be present at the meeting during the discussions on the subject matter and shall recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction by not being present at the meeting.
- Audit Committee shall have all rights to call for information/documents in order to understand the scope of the proposed related party transactions.
- Further, only those members of the audit committee, who are independent directors, shall approve Related party transactions.
- A related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary.
- Prior approval of the audit committee of the Company shall not be required for a related party transaction to which the listed subsidiary is a party but the Company is not a party if regulation 23 and sub-regulation (2) of regulation 15 of SEBI (LODR) Regulations, 2015 are applicable to such listed subsidiary.
- All the transactions which are identified as Related Party Transactions along with material modifications should be pre-approved by the Audit Committee before entering into such transaction.
- The audit committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.
- The Audit Committee may, in the interest of the conduct of affairs of the Company grant omnibus approval for the proposed Related Party Transaction subject to the following conditions:
- The Audit Committee shall lay down the criteria for granting omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;
- The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company, and such omnibus approval shall specify the following:
 - Name(s) of the Related Party;
 - Nature of the transaction;
 - Period of transaction;
 - Maximum amount of transaction that can be entered into;
 - The indicative base price/current contracted price and the formula for variation in the price, if any, and;
 - Such other conditions as the Audit Committee may deem fit.

Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year

- In such cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 10 crores per transaction;
- The Audit committee shall review, at least on a quarterly basis, the details of Related party transactions entered into by the Company pursuant to each of the omnibus approval given;
- All material related party transactions will be placed for approval of the shareholders of the Company through Resolution and the related parties shall abstain from voting on such resolutions.

Approval of Board of Directors

- As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section, which are / not in the ordinary course of business or at arm's length basis, shall be placed before the Board for its approval. Such approval shall be granted only by means of a Resolution passed at a Meeting of the Board. The Company may if it considers necessary and shall if the Audit Committee or Board so requires, seek external professional opinion to determine whether an RPT is in the ordinary course of business and/ or at arms' length.

- Where any director is interested in any contract or arrangement with a related party, such director shall not participate during discussions and vote on the subject matter of the resolution related to such contract or arrangement.
- In addition to the above, the following kinds of transactions with related parties are also placed before the Board for its approval:
 1. Transactions which may be in the ordinary course of business and at arm's length basis, but which, as per the Policy determined by the Board from time to time (i.e. value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
 2. Transactions in respect of which the Audit Committee is
 3. unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval
 4. Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view requires Board approval.
 5. Material RPTs and subsequent material modifications to such transactions, which are intended to be placed before the shareholders for approval.

Approval of the Shareholders of the Company

All the Material Related Party Transactions and subsequent material modifications shall require prior approval of the shareholders through special resolution and the Related Parties shall abstain from voting on such resolution. The related parties referred here shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not. Provided that prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the company subsidiary is a party, but the Company is not a party if regulation 23 and sub-regulation (2) of regulation 15 of SEBI (LODR) Regulations, 2015 are applicable to such listed subsidiary.

All the Transactions, other than the Material Related Party Transaction, with the related parties which are not in the Ordinary Course of Business and at Arms' Length shall, subject to the limits mentioned in Rules 15(3) of the Companies (Meeting of Board and its Power) Rules, 2014, also require the approval of the shareholders through special resolution and the Related Parties shall abstain from voting on such resolution.

In accordance with SEBI (LODR), following transactions are exempted from the requirements of obtaining the approval from Audit Committee/ Board/ Shareholders:

- (i) Transactions entered into by the company with other government companies;
- (ii) Transactions entered into between company and its wholly owned subsidiary or between two wholly owned subsidiaries of whose accounts are consolidated with the company and placed before the shareholders at the annual general meeting for approval.

The 'Related Party' referred here has to be construed with reference only to the contract or arrangement for which, the said special resolution is being passed. Thus, the term 'Related Party' in the given context, refers to only such related party as may be a related party in the context of the contract or arrangement for which, the said resolution is being passed.

Transactions that, require previous approval of Shareholders of the Company, as prescribed under rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014, includes the transactions/ contracts/ arrangements as follows :

- 1) Sale, purchase or supply of any goods or materials, directly or through appointment of agent, exceeding 10% of the turnover of the company or Rs. 100 crore, whichever is lower, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188 of Companies Act, 2013;
- 2) Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, exceeding 10% of net worth of the company or Rs. 100 crore, whichever is lower, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188 of Companies Act, 2013;

3) Leasing of property of any kind exceeding ten per cent of the net worth of the company or 10% of turnover of the company or Rs. 100 crores, whichever is lower, as mentioned in clause (c) of sub-section (1) of section 188 of Companies Act, 2013;

4) Availing or rendering of any services, directly or through appointment of agent, exceeding 10% of the turnover of the company or Rs. 50 crores, whichever is lower, as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188 of Companies Act, 2013.

5) 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.

6) Is for remuneration for underwriting the subscription of any securities or derivatives thereof, of the company exceeding 1% of the net worth.

These limits shall however, apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

However, In case of wholly owned subsidiary, the special resolution passed by the holding company shall be sufficient for the purpose of entering into the transactions between wholly owned subsidiary and holding company.

The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:

- Name of the related party,
- Name of the directors or key managerial personnel who is related, if any
- Nature of relationship
- Nature, material terms, monetary value and particulars of the contract or arrangement.
- A summary of the information provided by the management of the listed entity to the audit committee as specified above;
- Justification for why the proposed transaction is in the interest of the listed entity;
- Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/NBFCs.)
- A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;
- Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
- Any other information that may be relevant.

Transaction not requiring approval of Audit Committee, Board or Shareholders:

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee, Board or Shareholders:

- Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and where all holders of such securities receive the same benefits pro rata as the Related Party.

Transaction not requiring approval of Board or Shareholders:

Pursuant to clarification provided in circular No.30/2014 dated 17th July, 2014 of Ministry of Corporate Affairs, Contracts entered into by companies, after making necessary compliances under Section 297 of

the Companies Act, 1956, which already came into effect before the commencement of Section 188 of the Companies Act, 2013, will not require fresh approval under the said section 188 till the expiry of the original term of such contracts. Thus, if any modification in such contract is made on or after 1st April, 2014, the requirements under section 188 will have to be complied with.

CRITERIA FOR APPROVAL OF A RELATED PARTY TRANSACTION BY THE BOARD / AUDIT COMMITTEE:

To review a Related Party Transaction, the Board / Audit Committee will provide with all relevant material information of the Related Party Transaction, 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.

The information provided shall specifically cover the following:

- i. Type, material terms and particulars of the proposed transaction;
- ii. Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);
- iii. Tenure of the proposed transaction (particular tenure shall be specified);
- iv. Value of the proposed transaction;
- v. The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
- vi. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary;
- vii. details of the source of funds in connection with the proposed transaction;
- viii. where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments,
- ix. nature of indebtedness;
- x. cost of funds; and
- xi. tenure;
- xii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
- xiii. Justification as to why the RPT is in the interest of the listed entity;
- xiv. A copy of the valuation or other external party report, if any such report has been relied upon;
- xv. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
- xvi. Any other information that may be relevant

In determining whether to approve a Related Party Transaction, the Board/ Audit Committee shall consider the following factors, amongst others, to the extent relevant to the Related Party Transaction:-

- i. Whether the transaction is in the ordinary course of business of the company.
- ii. Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- iii. Whether there are any undue compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;

Whether the Related Party Transaction would affect the independence of the directors/KMP;

- iv. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- v. Where the ratification of the Related Party Transaction is allowed by law and is sought from the Committee, the reason for not obtaining the prior approval of the Committee and the relevance of business urgency and whether subsequent ratification would be detrimental to the Company; and
- vi. Whether the Related Party transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall

financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

DISCLOSURES

- The Company shall disclose details of Related Party transactions every six months on the date of publication of its standalone and consolidated financial results.
- Details of all material transactions with related parties shall be disclosed, quarterly in the Compliance Report on Corporate Governance.
- The company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.
- The related party transaction entered into with the related party/ies shall be disclosed in the Director Report / Annual Report as per the disclosure requirement of the Act.
- The Company shall maintain Register pertaining to related party transactions in the prescribed form.
- Each Director and KMP of the Company shall promptly notify the Company Secretary of the Company of any material transaction or Relationship that could reasonably be expected to give rise to any conflict of interest.
- All Directors/ KMPs are required to disclose the entities in which they or their relatives are or deemed to be interested, in the prescribed form.

RATIFICATION

- Any Related Party Transaction entered into without obtaining the prior approval of the Audit/ Board/ Shareholders(respective authority/ies) may be ratified, subject to the applicable provisions of the Companies Act, 2013 and the Listing Regulations 2015, if post review of the said transaction/ contract, the appropriate authority is satisfied, that the said Related Party Transaction is not detrimental to the interest of the Company, however, the appropriate authority may also ratify such transaction or contracts, with or without the modification(s).
- Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it.
- If the appropriate authority decides, not to approve a particular transaction, it may require the Related Party to reimburse the benefits which might have accrued to it and/ or indemnify the Company with regard to the subject Related Party Transaction which is not approved by the appropriate authority.
- However, the Related Party transaction which are entered into without the approval of the appropriate authority and subsequently not ratified by the appropriate authority, the applicable provisions of the Companies Act, 2013 and Listing Regulations 2015, shall apply.

REVIEW AND UPDATION OF THE POLICY:

- The Board of Directors shall review this Policy at least once in 3 years for making suitable amendments for better implementation of the Policy.
- The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision /amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.
- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.
- The power to interpret and administer the Policy shall rest with the Chairman of the Audit Committee whose decision shall be final and binding. The Chairman is also empowered to make any supplementary rules/orders to ensure effective implementation. of the Policy. These will, however, be reported to or tabled before the Audit Committee, from time to time, to ensure the Committee's oversight on these issues.
- This Policy will be communicated to all operational employees and other concerned persons of the Company and shall be placed on the website of the company.
