POLICY ON RELATED PARTY TRANSACTIONS

♣ ***Relative means:-***

A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-

- *Father;*
- *Mother;*
- *Son;*
- *Son's wife;*
- *Daughter;*
- *Daughter's husband;*
- *Brother;*
- *Sister*

♣ ***Related party means:-***

- *a director or his relative;*
- *a key managerial personnel or his relative;*
- *a firm, in which a director, manager or his relative is a partner;*
- *a private company in which a director or manager or his relative is a member or director;*
- *a public company in which a director and manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;*
- *any company which is a holding, subsidiary or an associate company of the company;*
- *a subsidiary of a holding company to which the company is also a subsidiary;*
- *a director [other than an independent director] or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.*

♣ *All related party transactions shall require the* ***prior approval*** *of the audit committee and the Board.*

♣ *A transaction with a related party shall be considered material, if the transaction(s) to be entered* ***exceeds 10% of the annual consolidated turnover*** *of the company as per the last audited financial statements of the listed entity. However, if the transactions entered into by the company in its ordinary course of business and the transaction is at arm's length basis, the transaction would not be considered material.*

♣ *All material transactions shall require* ***approval of the shareholders*** *by way of an ordinary resolution.*

♣ ***No*** *member of the company* ***shall vote*** *to approve any contract or arrangement which may be entered into by the company if such member is a related party.*

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