



## GAIL (INDIA) LIMITED

### Related Party Transaction Policy (Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions)

#### 1. PREAMBLE

The Board of Directors of GAIL (India) Limited (“Company”) has adopted the Related Party Transaction Policy (RPT Policy) and Procedures with regard to Related Party Transactions (RPT) as defined below. This RPT policy is to regulate transactions between the Company and its Related Parties based on the applicable laws, rules and regulations.

#### 2. PURPOSE

This RPT policy is framed as per requirements of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), the Companies Act, 2013 (The Act) and amendments issued in the regulatory framework from time to time.

This RPT Policy shall supplement Company’s other policies/procedures/practices/ Delegation of Powers etc., which require approval of the Transactions/ Contracts/Arrangement in specified manner and by specified authority. If there are more than one set of requirements due to application of multiple laws and regulations, the endeavor will be based on the compliance principle, which would meet the higher governance standards.

#### 3. DEFINITIONS

**3.1 “Arm’s Length Transaction”** means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest as defined in Section 188 (1) of the Act.

**3.2 “Associate Company”** in relation to another Company means Company as defined in Section 2(6) of the Act:

*A Company in which that other Company has a significant influence, but which is not a subsidiary Company of the Company having such influence and includes a joint venture Company.*

**Explanation**—For the purpose of this clause:

*(a) the expression "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.*

*(b) the expression "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.*



3.3 **“Audit Committee”** means the Audit Committee of the Board constituted from time to time under the Regulation 18 of SEBI LODR Regulations and Section 177 of the Act.

3.4 **“Board”** means the Board as defined in Section 2(10) of the Act.

3.5 **“Industry Standards”** shall mean the Industry Standards on “Minimum Information to be provided for review of the Audit Committee and Shareholders for approval of Related Party Transactions” as notified by SEBI time to time.

3.6 **“Key Managerial Personnel”** means Key Managerial Personnel (KMP) as defined in Section 2(51) of the Act i.e.

- (i) the Chief Executive Officer or Managing Director or 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.

3.7 **“Material Modification to a Related Party Transaction”** means any amendment or modification in the transaction(s)/contract(s)/arrangement(s) which will have an impact to increase the value of the approved transaction(s) for a Financial Year by 25% or more during corresponding Financial Year.

Provided that such increase in the value of RPT on account of following shall not be considered for Material Modification:

- Change(s) in rate/ price of material/ goods like change in natural gas price (formulae linked /back-to-back/ domestic gas price), petrochemicals (International Price Parity).
- Change(s) in Foreign Exchange Rate.
- Change(s) in quantity/ units/ services of material/ goods/ services due to the Government / Statutory Authority Order.
- Change(s) due to revision / imposition of statutory levies like taxes, duties etc.

3.8 **“Material Related Party Transaction”** means a Material Related Party Transaction as defined in Regulation 23(1) of the SEBI LODR Regulations:

Transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds the threshold limit specified as under:



Consolidated Turnover	Threshold
Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the Company
More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	Rs. 2,000 Crore + 5% of the annual consolidated turnover of the Company above Rs. 20,000 Crore
More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the Company above Rs. 40,000 Crore or Rs. 5000 Crores, whichever is lower.

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 five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

**3.9 “Ordinary Course of Business”** includes but not limited to a term for activities that are necessary, normal, and incidental to the business. These are common practices and customs of commercial transactions. In law, the ordinary course of business covers the usual transactions, customs and practices of a certain business and of a certain firm. Indicative factors for determining term ordinary course of business:

- (i) is normal or otherwise remarkable for particular business (i.e. features in system, processes, advertising, staff training, etc.).
- (ii) is frequent and regular.
- (iii) involves significant amounts of money.
- (iv) is a source of income for business.
- (v) involves significant allocation of resources.
- (vi) is involved in a service or product that is offered to customers.

**3.10 “Public Sector Company”** means a body corporate constituted by an Act of Parliament or any State Legislature and includes a Government Company [As per Regulation 2(da) of Securities Contracts (Regulation) Rules, 1957].

**3.11 “Related Party”** - an entity shall be considered as related to the Company as defined in section 2(76) of the Act read with Regulation 2(1) (zb) of the SEBI LODR Regulations:

- (i) Such entity is a related party under Section 2(76) of the Act; or
- (ii) Such entity is a related party under the applicable Accounting Standards.



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: of ten per cent 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

shall be deemed to be a related party:”

As per Section 2(76) of the Act, Related Party means:

- (i) a Director or his relative;
- (ii) a Key Managerial Personnel or his relative;
- (iii) a firm, in which a Director, manager or his relative is a partner;
- (iv) a private Company in which a Director or manager or 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 2% of its paid-up share capital;
- (vi) any body corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a Director or manager is accustomed to act:

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

(viii) any body corporate which is-

- A. a holding, subsidiary or an associate Company of such Company;
  - B. a subsidiary of a holding Company to which it is also a subsidiary;
- or
- C. an investing Company or the venturer of the Company;

**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 in the Company becoming an associate Company of the body corporate.

(ix) A Director (other than Independent Director) or KMP of the holding Company of such Company or his relative.

The Accounting Standard 18, inter-alia, defines related party as “parties are considered to be related if at any time during the reporting period one party has



the ability to control the other party or exercise significant influence over the other party in making financial and / or operating decisions.”

**3.12 “Related Party Transaction” (RPT)** means a transaction including contracts, arrangements and transactions as envisaged in Section 188(1) of the Act and/or Regulation 2(1) (zc) of the SEBI LODR Regulations involving a transfer of resources, services or obligations between:

- i. Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand or
- ii. a 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.

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:

Provided that the following shall not be a Related Party Transaction:

- 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) the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
  - i. payment of dividend;
  - ii. subdivision or consolidation of securities;
  - iii. issuance of securities by way of a rights issue or a bonus issue; and
  - iv. buy-back of securities.
- c) retail purchases from the Company or its subsidiary by the directors or key managerial personnel of the Company or its subsidiary, and relatives of such directors or key managerial personnel, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel

**3.13 “Relative”** means a relative as defined in Section 2(77) of the Act.

**3.14 “Subsidiary Company”** means subsidiary Company as defined in Section 2(87) of the Act.

#### **4. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION**

As per Section 177(4) of the Act read with Regulation 23(2) of the SEBI LODR Regulations for entering into Transactions or any subsequent modification of Transactions of the Company with Related Parties shall be put up for prior



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approval of the Audit Committee of the Company in accordance with this RPT Policy whether at a meeting or resolution by circulation.

Further, as per Regulation 23(2) of the SEBI LODR Regulations, 2015 a Related Party Transaction above Rs. One Crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of GAIL is a party but GAIL is not a party, shall require prior approval of the Audit Committee of GAIL if the value of such transaction, exceeds the lower of the following:

- (i) 10% of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; **or**
- (ii) the threshold for Material Related Party Transactions of the Company.

In the event of a Related Party Transaction above Rs. One Crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a GAIL is a party but GAIL is not a party and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the GAIL's Audit Committee shall be obtained if the value of such transaction exceeds the lower of the following:

- (i) 10% of the aggregate value of paid-up share capital and securities premium account of the subsidiary **or**
- (ii) the threshold for Material Related Party Transactions of the Company.

*Provided that the aggregate value of paid-up share capital and securities premium account of the subsidiary shall be taken as on a date, not older than three months prior to the date of seeking approval of the Audit Committee.*

Audit Committee can accord approval (including omnibus approval) for Transaction(s) with a Related Party during a FY not exceeding 50% of the consolidated turnover of the Company as per last audited financial statement of the Company and beyond the same GAIL's Board is the competent authority. In case, the value of RPT exceeds 50% of consolidated turnover, then Audit Committee shall recommend such transaction the Board for approval, prior to undertaking such transaction(s).

Remuneration and sitting fees paid by the Company or its subsidiary to its Director, Key Managerial Personnel or Senior Management, except who is part of Promoter or Promoter group, shall not require approval of the Audit Committee provided that the same is not material in terms of the provisions of 23(1) of SEBI LODR Regulations.

In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Audit Committee may ratify the transactions in accordance with this RPT Policy.



Approval of the Board/ Shareholders may be required, as detailed in this RPT policy.

Concerned Head(s) of Department are responsible for placing an agenda before the Audit Committee (***including on quarterly basis/ for omnibus approval***) and/or Board of Directors and/or shareholders, as the case may be, of all Related Party Transaction(s) requiring compliance with this RPT Policy.

#### 4.1 Details to be provided to Audit Committee

While submitting any proposal for approval of a RPT, the Company shall provide the Audit Committee and, where applicable, the Shareholders with the minimum information prescribed under the Industry Standards as under:

**Part A: This Part of the Standards captures the minimum information of the proposed RPT and is applicable to all Related Party Transactions placed for review and approval by the Audit Committee**

1. Basic details of the related party
2. Relationship and ownership of the related party
3. Details of previous transactions with the related party
4. Amount of the proposed transaction(s)
5. Basic details of the proposed transaction

**Part B: This Part is applicable only if a specific type of RPT is proposed to be undertaken and is in addition to Part A. Seven types of RPTs have been specified as per the SEBI circular**

1. Sale, purchase or supply of goods or services or any other similar business transaction and trade advances
2. Loans and advances (other than trade advances) or inter-corporate deposits given by the Company or its subsidiary
3. Investment made by the Company or its subsidiary
4. Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the Company or its subsidiary.
5. Borrowings by the Company or its subsidiary
6. Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the Company or disposal of shares of subsidiary or associate
7. Transactions relating to payment of royalty

**Part C: This Part is applicable to material Related Party Transactions placed for approval of both the Audit Committee and shareholders and is in addition to Part A and Part B (with respect to such RPT)**

1. Transactions relating to any loans and advances (other than trade advance) or inter-corporate deposits given by the Company or its subsidiary.
2. Investment made by the Company or its subsidiary.



3. Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the Company or its subsidiary.
4. Borrowings by the Company or its subsidiary.
5. Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the Company or disposal of shares of subsidiary or associate.
6. Transactions relating to payment of royalty.

As per aforesaid SEBI circular, the Management:

- shall put up information in the Audit Committee in the standardized format for review and approval of Related Party Transactions.
- Provide Certificate from concerned Functional Director and Chief Financial Officer [Director (Finance)] confirming that the terms of the proposed RPTs to be entered into are in the interest of GAIL.
- In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction.

#### 4.2 **Omnibus Approval as per Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and the SEBI LODR Regulations.**

**A.** Audit Committee may grant the omnibus approval for Related Party Transactions proposed to be entered into by GAIL or its subsidiary subject to the following conditions:

1. Transactions which are **repetitive** in nature.
2. Audit Committee shall satisfy itself **for justification for the need** of such omnibus approval in the best interest of the Company.
3. Omnibus approval shall specify:
  - (i) the name(s) of the Related Party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,
  - (ii) the indicative base price/current contracted price and the formula for variation in the price, if any, and
  - (iii) such other conditions as the Audit Committee may deem fit.

*Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1.00 crore per transaction.*

**B.** Audit Committee shall review at least on a **quarterly basis**, the details of RPTs entered into by the Company and its subsidiary pursuant to each of the omnibus approval given.



- C. The 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 from the date of approval.
- D. The omnibus approval granted by the Shareholders for Material Related Party Transactions in an Annual General Meeting shall be valid till the date of the next Annual General Meeting held within the timelines prescribed under Section 96 of the Act or rules / notifications/ circulars issued thereunder amended from time to time:

*Provided further that in case of omnibus approvals for Material Related Party Transactions, granted by shareholders in General Meetings other than Annual General Meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.*

- E. Omnibus approval shall not be made for transaction in respect of selling or disposing of the undertaking of the Company.

#### 4.3 Consideration by the Audit Committee

While approving, the Audit Committee may, inter-alia, consider the following factors:

- A. all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party;
- B. whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis, at the time of entering into the transaction;
- C. business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- D. whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or KMP of the Company;
- E. each Director and Key Managerial Personnel to provide notice to the 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 Audit Committee may reasonably request. The notice of any potential Related Party Transaction should be communicated to the Audit Committee in advance so that it has adequate time to obtain and review necessary information about the proposed transaction.
- F. any Director or KMP who has a potential conflict of interest in any Related Party Transaction shall not participate in any discussion or approval of a Related Party Transaction and shall not be counted in determining the presence of quorum of the meeting when such transaction is considered.



G. any other matter as the Audit Committee may deems relevant.

4.4 Approval of Audit Committee is required for Related Party transactions as per provisions of the Act and the SEBI LODR Regulations. However, in case of transaction, other than transactions referred to in section 188 of the Act and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

4.5 Approval of Audit committee is only with reference to entering into a transaction with Related Party and other approval(s) of the Functional Director/ Board etc., as the case may be, shall be applicable as per Company's policies/ procedures /practices/ Delegation of Powers etc.

#### 4.6 Exemptions from Audit Committee approval

##### A. Exemption to Related Party Transaction(s) as per the Act:

Transaction between a holding Company and its wholly owned subsidiary Company, other than a transaction referred to in section 188(1) of the Act i.e. following transactions by GAIL with its wholly owned subsidiary Company will not require approval of the Audit Committee:

- Giving of loan; Guarantee/Security/Letter of Comfort in connection with Loan; Payment/Performance Security, Guarantee/Security/Letter of Comfort not in connection with Loan
- Commitment/ Release of equity

##### B. Exemption to Related Party Transaction(s) as per SEBI LODR Regulations:

- (i) Transactions entered into between two Public Sector Companies;
- (ii) Transactions entered into between a holding Company and its wholly owned subsidiary whose accounts are consolidated with such holding Company and placed before the shareholders at the general meeting for approval.
- (iii) Transactions entered into between two wholly-owned subsidiaries of the listed holding Company, whose accounts are consolidated with such holding Company and placed before the shareholders at the general meeting for approval.
- (iv) Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.
- (v) Transactions entered into between a public sector Company on one hand and the Central Government or any State Government or any combination thereof on the other hand.



#### 4.7 Approval of the Board and Shareholders

##### A. Under section 188 of the Companies Act, 2013

In case of specified Related Party Transaction(s) as mentioned in section 188(1) of the Act prior approval of Board and/or Shareholders is required for entering into any contract or arrangement with a Related Party as per the following:

- a) **Prior approval of the Board at a meeting** - which are not in ordinary course of business or not on arm's length basis.
- b) **Prior approval of the Shareholders by way of ordinary resolution**- which are not in ordinary course of business or not on arm's length basis and beyond threshold limits.

##### **Exemptions from Shareholders approval:**

- (i) In respect of contracts or arrangements entered into by one Government Company with any other Government Company.
- (ii) Transactions entered into between a holding Company and its wholly owned subsidiary whose accounts are consolidated with such holding Company and placed before the shareholders at the general meeting for approval.

S. No.	Specified RPT(s) u/s 188(1) of the Companies Act, 2013	
	Approval of the Board	Approval of the Shareholders (Threshold limits)
a)	sale, purchase or supply of any goods or materials	10% or more of the turnover of the Company
b)	selling or otherwise disposing of, or buying, property of any kind	10% or more of net worth of the Company
c)	leasing of property of any kind	10% or more of the turnover of the Company
d)	availing or rendering of any services	10% or more of the turnover of the Company
e)	appointment of any agent for purchase or sale of goods, materials, services or property	As per limit prescribed in clause a), b) and d), in case resulted into appointment of agent
f)	such Related Party's appointment to any office or place of profit in the	At a monthly remuneration exceeding Rs. 2.50 lakhs



	Company, its subsidiary Company or associate Company	
<b>g)</b>	Under writing the subscription of any securities or derivatives thereof, of the Company	Exceeding 1% of the net worth

**Explanation(s):**

- limits specified in sub-clauses a) to d) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.
- turnover or net worth shall be computed on the basis of the Audited Financial Statement of the preceding Financial Year.

No member of the Company shall vote on such ordinary resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a Related Party for such contract or arrangement.

**B. Under Regulation 23 of the SEBI LODR Regulations**

As per Regulation 23(4) of SEBI LODR Regulations all Material Related Party Transactions and subsequent material modifications requires the prior approval of the shareholders by way of ordinary resolution, however, the same shall be put up to the Board for its approval for recommending the same for the approval of shareholders.

**Exemption(s):**

- (i) Transactions entered into between two Public Sector Companies;
- (ii) Transactions entered into between a holding Company and its wholly owned subsidiary whose accounts are consolidated with such holding Company and placed before the shareholders at the general meeting for approval.
- (iii) Transactions entered into between two wholly-owned subsidiaries of the listed holding Company, whose accounts are consolidated with such holding Company and placed before the shareholders at the general meeting for approval.
- (iv) Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.
- (v) Transactions entered into between a public sector Company on one hand and the Central Government or any State Government or any combination thereof on the other hand.



No related Party shall vote to approve such resolution(s) whether the entity is a related party to the particular transaction or not.

#### 4.8 Details to be provided to the Board and Shareholders as per section 188 of the Companies Act, 2013

The following information shall be provided to the **Board** for approval of Related Party Transaction(s) –

- A. the name of the Related Party and nature of relationship;
- B. the nature, duration 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; and
- G. each Director and Key Managerial Personnel to provide notice to the Board 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 may reasonably request. The notice of any potential Related Party Transaction should be communicated to the Board in advance so that it has adequate time to obtain and review necessary information about the proposed transaction.
- H. any Director or KMP who has a potential conflict of interest in any Related Party Transaction shall not participate in any discussion or approval of a Related Party Transaction and shall not be counted in determining the presence of quorum of the meeting when such transaction is considered.
- I. any other information relevant or important for the Board to take a decision on the proposed transaction.

The notice being sent to the **shareholders** seeking approval for any RPT shall, in addition to the requirements specified in clause 4.14, include the information as part of the explanatory statement as specified in Industry Standard and the Act.



#### 4.9 Summary of the approval mechanism under the SEBI LODR Regulations and the Act.

Details of Transaction(s)	Approving Authority
All Related Party Transactions and any subsequent modification including material modification	Audit Committee.
<b>RPTs</b> at 4.7 A above which are not in ordinary course of business or not on arm's length basis or both (less than threshold limits)	Approval and recommendation by Audit Committee to the Board.  Approval by the Board.
<b>RPTs</b> at 4.7 A above which are in not in ordinary course of business or not on arm's length basis or both (beyond threshold limits)	Approval and recommendation by Audit Committee to the Board.  Approval and recommendation by the Board to Shareholders.
<b>Material RPTs</b> at 4.7 B above	Approval by the Shareholders.

#### 4.10 Ratification of Related Party Transactions

A. If prior approval of the Audit Committee/Board/Shareholders for entering into a Related Party Transaction is not feasible, then the Related Party Transaction shall be ratified by the Audit Committee/Board/Shareholders, as the case may be, within 3 (three) months of entering in the Related Party Transaction subject to the following:

- ✓ rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
- ✓ any other condition as specified by the Audit Committee

***Provided that failure to seek ratification of the Audit Committee shall render the transaction voidable at the option of the Audit Committee and if the transaction is with a related party to any director, or is authorised by any other Director, the Director(s) concerned shall indemnify the listed entity against any loss incurred by it.***

B. In any case where either the Audit Committee/Board/Shareholders determines not to ratify a Related Party Transaction that has been commenced without approval, may direct additional actions including, but not limited to, immediate discontinuation of the transactions, or modification of the transaction to make it acceptable for ratification. In connection with any review of a Related Party Transaction, the Audit Committee/ Board/ Shareholders has authority to modify or waive any procedural requirements of this RPT Policy in the best interest of the Company.



#### 4.11 Disclosures

- A. Disclosure of particulars of contracts/arrangements entered into by the company with Related Parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under fourth proviso thereto in the Board's Report.
- B. Disclosure of Related Party Transactions to Stock Exchanges as per requirement of SEBI LODR Regulations.
- C. The Company shall disclose the RPT policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.
- D. Name of all Related Parties, nature of relationships and details of all Related Party transactions should be disclosed in the financial statement as per applicable Accounting Standard.
- E. The Company shall keep one or more Registers giving separately the particulars of all contracts or arrangements with any Related Party which require approval of the Board as per provision of the Act.

### 5. AMENDMENTS

CMD may amend the RPT Policy in case of change in legal framework rules and regulation etc. as covered in the RPT policy.

In case of any change/ amendment in Legal framework, rules and regulation etc., the same will have overriding effect over provisions covered in the RPT Policy.

The policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly.