HEG GRAPHITE LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

Approved by Board of Directors at its meeting held on August 10, 2026.

Preamble	In order to ensure the transparency and procedural fairness of related party transactions, this Policy has been framed in accordance with the requirements of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Ind AS -24 issued by the Institute of Chartered Accountants of India, and any subsequent amendments thereto. The Board of Directors of the Company **("the Board**"), on recommendation of Audit Committee **("the Committee"),** has approved policy on Related Party Transactions ("**Policy**") to laid down the procedures with regard to Related Party Transactions for review, approval ratification and its disclosures as required under the Companies Act, 2013**("the Act"),** read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) and the Industry Standards specified by SEBI as amended from time to time.
Applicability	This policy shall come into force with effect from the date of its approval from the Board and shall be applicable to transactions made with Related Parties identified as per this Policy.
Definitions	
(a)"Key Managerial Personnel" As per Section 2(51) of the Act.	"Key Managerial Personnel" 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. (vi) such other officer as may be prescribed.

"Key Managerial Personnel" As per IND AS 24	**"Key Management Personnel"** are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
(b) "Relative" As per Section 2(77) of the Act	**"Relative"** A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:- (i) Members of HUF (ii) Spouse (iii) Father: (including step-Father) (iv) Mother: (including step-Mother) (v) Son: (including step-Son) (vi) Son's wife (vii) Daughter (viii) Daughter's husband (ix) Brother: (including step-Bother) (x) Sister: (including step-Sister)
(c)"Close members of the family of a person" As per IND AS 24	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.
(d) "Office or place of profit" As per Section 188 of the Act.	**Related Party's appointment to any office or place of profit in the Company, its subsidiary Company or Associate Company.** **"Office or place of profit**" 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.

(e)"Arm's length transaction" As per Section 188 of the Act.	**"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.
(f) "Associate Company" As per Section 2(6) of the Act. As per IND AS 28	"Associate Company" means a company in which the Company has a significant influence, but which is not a subsidiary company of the company and includes a joint venture company. "Significant Influence" means control of at least twenty percent of total voting power or control of or participation in business decisions under an agreement. An associate is an entity, over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.
(g) " Material Related Party Transaction" As per Regulation 23 of Listing Regulations	1. 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 the thresholds specified in Schedule XII of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 2. 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 (5%) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The above limits shall be read in accordance with any revision in the thresholds or definitions of material related party transactions as prescribed by the SEBI, Industry Standards Forum or any other regulatory authorities from time to time.

(h) "Compensation" As per Ind AS 24	Compensation includes all employee benefits (as defined in Ind AS 19 Employee Benefits) including employee benefits to which Ind AS 102 Share-based Payments applies. Employee benefits are all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Compensation includes: (a) short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, profit sharing and bonuses (if payable within twelve months of the end of the period) and non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees; (b) post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care; (c) other long-term employee benefits, including long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the period, profit-sharing, bonuses and deferred compensation; (d) termination benefits; (e) share-based payment.

(i) "Control" 2 (27) of the Companies Act, 2013 As per Ind AS As per SEBI (LODR) Regulations As per SEBI (SAST) Regulations	**"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; Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. **"Control"** shall have the same meaning as assigned to it under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. **"Control"** includes 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: Provided that a director or officer of a target company shall not be considered to be in control over such target company, merely by virtue of holding such position;
(j) "Joint control" As per Ind AS 24 read with Ind AS 111	**Joint control** is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures).
(k) "Significant Influence As per Ind AS	Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies. Significant influence may be gained by share ownership, statute or agreement.
(l) "Investment entity" As per Ind AS	An investment entity is an entity that: (a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services; (b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis.

(m)"Material Modification" As per the Listing Regulations, 2015	Material Modification means any change in the terms of material related party transactions which is not in ordinary course of business and/or not on Arm's Length basis and/or exceeds ten percent 10% of the aggregate value of related party transaction.
(n) Related Parties 2(76) of the Act and Rule 4 of Companies (specification of definitions details) Rules, 2014.	(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; (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) anybody 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) Such other person, as may be prescribed by MCA/SEBI.
(o) "Industry Standards"	"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 Transaction (RPT)" as notified by SEBI vide its circular dated June 26, 2025, and as amended from time to time or any further circular issued by SEBI in this regard. Provided, Industry Standards shall not be applicable to: (a) Transactions exempted under Regulation 23(5) of the LODR Regulations; and (b) Quarterly review of RPTs by the Audit Committee in terms of Regulation 23(3)(d) of the LODR Regulations. Transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year (including which are approved by way of ratification) do not exceed Rs. One Crore.

Regulation 2(1)(zb) of Listing Regulations **AS per IND AS 24**	**In addition to the Related Party as defined under the Act and Ind AS, following shall be Related Party:** a) any person or entity forming a part of the promoter or promoter group of the listed entity or b) any person or any entity, holding equity shares of ten percent (10%) or more in the listed entity 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. 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'). (a) A person or a close member of that person's family is related to a reporting entity if that person: (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to a reporting entity if any of the following conditions applies: (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). 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). (ii) Both entities are joint ventures of the same third party. (iii) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (iv) 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 are also related to the reporting entity. (v) The entity is controlled or jointly controlled by a person identified in (a). (vi) 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).

	(vii) 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. The definitions of various terms e.g. control, relatives, significant influence etc. as per IND AS 24 are different than those under the Companies Act, 2013.
Details required for ascertaining related party	**the following details shall be required:** 1. Declaration/Disclosure of interest by all the Directors and KMPs' in form MBP-1. 2. Declaration of relatives by all Directors and KMPs'. 3. Declaration about a firm in which a Director/ Manager or his relative is a partner. 4. Declaration about a private Company in which a Director or Manager or his relative is a member or director. 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. 6. Intimation from Directors of any change in particulars of Directorship or in other positions from the disclosure(s) submitted at the beginning financial year. 7. Declaration by Holding Company regarding its Directors/ KMPs' and their relatives. 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. 9. Details of any person on whose advice, directions or instructions a director or manager is accustomed to act: Provided that nothing in point no.8 & 9 shall apply to the advice, directions or instructions given in a professional capacity.

	10. Details of any Company which is: (a) a holding, subsidiary or an associate company of such company; or (b) a subsidiary of a holding company to which it is also a subsidiary. (c) an investing Company or the venturer of the Company. 11. Persons/entities identified under Ind AS 24.
Type of Transactions covered	a) Under Section 188 of the Act, , following transactions will be covered – i. Sale, purchase or supply of any goods or materials; ii. selling or otherwise disposing of, or buying, property of any kind; iii. leasing of property of any kind; iv. availing or rendering of any services; v. appointment of any agent for purchase or sale of goods, materials, services or property etc. vi. such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; vii. underwriting the subscription of any securities or derivatives thereof, of the company.
	In addition to the transaction(s) covered under the Act, the following transaction(s) shall be considered as related party transactions, as per the Listing Regulations: A) transaction involving a transfer of resources, services or obligations between:– (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity 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 listed entity 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 any listed entity or its subsidiary by the directors or key managerial personnel of the listed entity 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: In addition to the transaction(s) mentioned under the Act and Listing Regulations, the following transaction(s) with related party shall be considered as related party transactions, as per Ind As 24: d) a related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party regardless of whether a price is charged. Following transactions will be covered if these are with related parties – (a) purchases or sales of goods (finished or unfinished); (b) purchases or sales of property and other assets; (c) rendering or receiving of services; (d) leases; (e) transfers of research and development; (f) transfers under license agreements; (g) transfers under finance arrangements (including loans and equity contributions in cash or in kind); (h) provision of guarantees or collateral; (i) commitments to do something if a particular event occurs or does not occur in the future, including executory contracts (recognized

	and unrecognised); (j) settlement of liabilities on behalf of the entity or by the entity on behalf of that related party; and management contracts including for deputation of employees.
Process for ascertaining related party	The Secretarial Department, in consultation with the Finance Department and other Functional Heads, shall prepare and maintain the list of Related Parties based on the disclosures and information received from the concerned departments. Each Functional Head/HOD shall be responsible for promptly identifying and informing the Secretarial Department of any existing or proposed Related Party and any changes thereto pertaining to their respective functions. The Internal Auditor and/or Statutory Auditor shall verify the process of identification of Related Parties and their recording in the register of contracts or arrangements maintained under Section 189 of the Companies Act, 2013, as well as their classification.
Procedure of seeking approval	The Head of the concerned Department (HOD)/Functional Head initiating the Related Party Transaction shall be responsible for ensuring and confirming that the proposed Related Party Transaction is in the ordinary course of business and is on an arm's length basis, supported by appropriate documentation, benchmarking, valuation, market quotations or such other evidence as may be applicable. No proposal for approval of a Related Party Transaction shall be submitted to the Audit Committee, Board of Directors or Shareholders unless the concerned HOD/Functional Head has carried out the necessary due diligence and certified the aforesaid aspects along with the proposal. The concerned HOD/Functional Head shall also ensure that all information and supporting documents required under the applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable Industry Standards, and this Policy are complete and accurate before forwarding the proposal for approval. A) Transaction is Ordinary Course and Arm's length Functional Heads shall submit to the MD/ED/CFO the details of proposed transaction with details/draft contract/ draft agreement or other supporting documents justifying that the transactions are on arms' length basis and in an ordinary course of business at prevailing market rate. Based on the agenda note, the audit committee will review and decide the matter accordingly.. The suggested list of records and supporting documents is detailed separately in this policy.

	B) Transaction is not in Ordinary Course but at Arm's length If the proposed transaction is not in ordinary course of business but at arms' length basis, then the Functional Heads shall give a detailed note with justification to ED/ CFO and CS for entering such transaction along with details of proposed transaction with draft agreement/MoU/other supporting documents. Based on the required information received from the function head the CFO and CS will discuss the matter with CMD & CEO/ED so as to recommend the matter further to Audit Committee, Board and then to shareholders for their respective prior approvals, as the case may be.
Approval of Related Party transaction(s)	The threshold limits for Related Party Transactions, if required, will be approved by the Board of Directors upon the recommendation of audit Committee of the Company.

A. <u>Approval of transactions through Audit Committee</u>	Audit Committee shall give: i. prior Approval for all Related Party Transactions and Subsequent material modification; ii. approval for all subsequent modifications of transaction of the company with related parties. Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions. Provided further that: i. the audit committee shall define "material modifications" with regard to related party transactions. ii. a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, 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, exceeds the lower of the following: a. ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or b. The threshold for material related party transactions of listed entity as specified in Schedule XII of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. iii. In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a listed entity is a party but the listed entity 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 audit committee of the listed entity shall be obtained if the value of such transaction exceeds the lower of the following: a. ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or b. the threshold for material related party transactions of listed entity as specified in Schedule XII of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: 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. iv. Prior approval of the audit committee of the listed entity 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 Listing Regulations are applicable to such listed subsidiary. **Explanation:** For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (iv) above, the prior approval of the audit committee of the listed subsidiary shall suffice. v. remuneration and sitting fees paid by the listed entity 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 sub-regulation (1) of regulation 23 of Listing regulation. Further disclosure of the same to stock exchange on half yearly basis is not required. vi. The members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier subject to the following conditions: (i) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore; (ii) the transaction is not material in terms of the provisions of sub-regulation (1) of Regulation 23; (iii) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification; (iv) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of Regulation 23; (v) 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." **Explanation:** For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the audit committee of the listed subsidiary shall suffice. Audit Committee may grant an omnibus approval for related party transactions proposed to be entered into by the listed entity or its subsidiary, for a period of maximum one year for those proposed related party transactions, which are in ordinary course of business and at arms' length basis, in the interest of the Company and are repetitive in nature (e.g. sale/purchase of securities etc), subject to the following conditions-

	The proposal to be placed before the Audit Committee should contain following information – a. name of the related parties; b. nature and period of the transaction; c. maximum amount of transaction that shall be entered into; d. the indicative base price or current contracted price and the formula for variation in the price, if any; and e. 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 make omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction. 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 by the listed entity or its subsidiary on the basis of above omnibus approval, shall be taken to the Audit Committee on quarterly basis for its review. In case of transactions other than omnibus approval, the following information shall be provided to the Audit Committee: a. Type, material terms and particulars of the proposed transaction; b. Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise); c. Tenure of the proposed transaction d. Value of the proposed transaction; e. The percentage of the Company'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);

	f. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the company's or its subsidiary: i. details of the source of funds in connection with the proposed transaction; ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, ➢ nature of indebtedness; ➢ cost of funds; and ➢ tenure; iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT. g. Justification as to why the RPT is in the interest of the Company; h. A copy of the valuation or other external party report, if any such report has been relied upon; i. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis; j. Any other information that may be relevant by the Audit Committee. The above mentioned information which shall be provided to the Audit Committee, shall be subject to addition, modification, or supersession in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Companies Act, 2013, applicable Industry Standards, or any other regulatory requirements, as amended from time to time. The management of the Company shall accordingly provide the minimum information as required. The Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis. The MD/ED and CFO should certify whether the contracts/transactions are at arm's length. Similarly the internal auditors and /or statutory auditors should examine the entire documentation and certify/confirm the same.

	The Audit Committee, at the time of approval of RPTs, shall take into consideration the certificate to be placed before it by the Chief Executive Officer or Chief Financial Officer or any other KMP of the Company, confirming that the RPT(s) to be entered into are not prejudicial to the interest of public shareholders of the Company and the terms and conditions of the proposed RPT(s) are not unfavorable to the Company, compared to terms and conditions, had similar transaction(s) been entered into with an unrelated party. This certificate shall be placed before the Committee in terms of the Industry Standards. 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.

B. <u>Approval of transactions through Board of Directors</u>	Approval of the Board is required: (a) for all contracts/arrangements/transactions which are not on arm's length basis or are not in ordinary course of business; (b) for all "material" related party transactions. These have to be approved by the shareholders through resolution; therefore they should first be approved by the Board and no related party shall vote to approve on such resolutions. The agenda of the Board meeting at which the resolution is proposed to be moved shall disclose- (c) the name of the related party and nature of relationship; (d) the nature, duration of the contract and particulars of the contract or arrangement; (e) the material terms of the contract or arrangement including the value, if any; (f) any advance paid or received for the contract or arrangement, if any; (g) the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract; (h) 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 (i) any other information relevant or important for the Board to take a decision on the proposed transaction. (j) statement of transactions as per the contracts /arrangements. The above mentioned information which shall be provided to the Board, shall be subject to addition, modification, or supersession in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Companies Act, 2013, applicable Industry Standards, or any other regulatory requirements, as amended from time to time. The management of the Company shall accordingly provide the minimum information as required.

	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.
C. **Approval of transactions through shareholders**	Except with prior approval of shareholders, the company shall not enter into transaction(s), where the transaction(s) to be entered into (a) as contracts or arrangements with respect to Section 188(1)(a) to (e) of the Companies Act, 2013, with the criteria as mentioned below – (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 section188; (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 net worth of the company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188; (iii) leasing of property of any kind amounting to ten per cent or more of 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 (c) 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 above 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) a summary of the information provided by the management of the Company to the audit committee for its approval; (f) Justification for why the proposed transaction is in the interest of the Company; (g) Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary following details to be provided: i. details of the source of funds in connection with the proposed transaction; ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, ➢ nature of indebtedness; ➢ cost of funds; and ➢ tenure; iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT. (h) a statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders; (i) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;

	(j) any other information relevant or important for the members to takea decision on the proposed resolution. The above mentioned information which shall be provided to the Shareholders, shall be subject to addition, modification, or supersession in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Companies Act, 2013, applicable Industry Standards, or any other regulatory requirements, as amended from time to time. The management of the Company shall accordingly provide the minimum information as required. Apart from the above, as per the Listing Regulations all material related party transactions and subsequent material modifications as defined under this policy shall require prior approval of shareholders through resolution, even related party transactions that are in the ordinary course of business and at arm's length would require shareholders' approval by way of a resolution if they are 'material' within the meaning of the Listing Regulations.Provided that prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary. Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice. Provided further that the requirements specified under above para shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved: Provided further that 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 Companies Act, 2013 or rules, notifications, or circulars issued thereunder 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.

	As per Regulation 23 following transactions are material: 1. a transaction with a related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds specified in Schedule XII of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 2. 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. The above limits shall be read in accordance with any revision in the thresholds or definitions of material related party transactions as prescribed by the SEBI, Industry Standards Forum, or any other regulatory authorities from time to time. Thus, CFO and Managing Director/ Executive Director will keep a track of all the related party transactions done in the financial year and take required shareholder approval well in advance so as to ensure compliance of the Listing Regulations on material related party transactions. **Prior approval of Shareholders of the Company shall not be required if:** Related Party Transaction to which the listed subsidiary is a party but the Company is not a party, if regulation 23 and regulation 15(2) of the listing regulations are applicable to such listed subsidiary.

	Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice. Further that the requirements specified under this sub-regulation shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved. **Note:** 1. 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. 2. All material related party transactions shall require approval of the shareholders through resolution and no related party shall vote to approve on such resolutions whether the entity is a related party to the particular transaction or not. 3. The provisions of sub-regulations (2), (3) and (4) of the Listing Regulations shall not be applicable in the following cases: (i) Transactions entered into between a holding Company and its wholly own subsidiary whose accounts are consolidated with such holding Company and placed before the shareholders at the General Meeting for approval. (ii) Transactions entered into between two wholly-owned subsidiaries of the company, whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval. (iii) 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.
Related party transactions details	The Finance & Accounts Department shall provide a list of transactions with Related Party on a quarterly basis to the Secretarial Department and Internal Auditor and statutory auditor within 15 days of close of the quarter and the same shall be reviewed by them along with Quarter end balance confirmation/ reconciliation statements and placed before the Audit Committee for its review.

Disclosure	1. Details of contract(s) or arrangement(s) as per sub- section (1) of section 188 of the Act have to be disclosed in the Board's Report as per Form AOC-2. Form AOC 2 will placed before Audit Committee for its review and then to the Board for approval to make the same as part of Directors' report 2. Company shall keep a register in Form MBP – 4 [pursuant to Section 189(1) of the Act, giving the particulars of all contracts or arrangements in such manner and containing particulars and after entering the particulars, the same shall be authenticated by the CFO and Managing Director/Executive Director of the Company and thereafter the same shall be placed in the next meeting of the Board and signed by all the Directors present at the meeting. 3. Necessary disclosures be made in the Annual Financial Statements as required under, the Listing Regulations and RBI guidelines. The Annual Report shall contain additional Disclosure as required under part A of Schedule V of the Listing Regulations. Further, as required under para C (10) of Schedule V of the Listing Regulations following disclosures to be also given in 'Report on Corporate Governance' section in Annual Report: 4. Materially significant related party transactions, which may have potential conflict with the interests of the Company at large. Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'. 5. The following disclosures shall be made in the Compliance Report on Corporate Governance: (a) On quarterly basis 1) Whether prior approval of Audit Committee obtained 2) Whether shareholders' approval obtained for material RPT 3) Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee. (b) On Half Yearly basis The Company shall submit to the stock exchanges disclosures of related party transactions in the format and within the prescribed timelines as specified by SEBI from time to time, and publish the same on its website. (c) On Annual basis 1) Policy on dealing with related party transactions 2) Prior or Omnibus approval of Audit Committee for all related party transactions 3) Approval for material related party transactions

	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.
Records relating to Related Party / Supporting documents	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.
(a) Rent Agreement	(i) Copy of draft agreement. (ii) Quotation from a property dealer/ advisor in the area in which the property is located or a nearby area. (iii) If quoted prices are substantially lower / higher than existing, to seek second quotation.
(b) Purchase/ sale of property	(i) Valuation reports from atleast 2 independent valuers to ascertain Fair Market Value. (ii) Quotations from 2 independent property dealers/brokers. (iii) Draft copy of agreement to sell/Draft of proposed sale deed. (iv) Brief terms and conditions and justification of such transaction.
(c) Purchase/sale of material, goods etc.	(i) Copy of agreements/Purchase Orders/ correspondence exchanged/ letters of exchange / bills/ invoices etc. (ii) Invoices/ bills of similar transactions on same date or nearby date with un-related parties from the seller. (iii) Quotation from un-related service provider.
(d) Availing/ Rendering Services	(i) Copy of Agreement/ MOU/ Correspondence etc. (ii) Supporting justifying the transaction on arms length basis.
(e) Loans/ Advances given or taken	(i) Compliance of Section 185 and other applicable provisions of the Companies Act, 2013 and rules thereunder. (ii) Agreements (iii) Statutory approvals wherever required. (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).

(f) Subscription to shares/ debentures/securities	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.
(g) Guarantee/ Securities	(i) Compliance of Section 185, 186 and other applicable provisions of the Companies Act, 2013 and rules thereunder. (ii) Agreements. (iii) Other documents justifying the same.
(h) Other transactions	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.
Limitation	In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments or rules, the provisions of such Act or Listing Regulations or statutory enactments or rules, shall prevail over this Policy.
Review of Policy	The Policy may be reviewed and updated in accordance with the applicable law from time to time.