

QUICK HEAL TECHNOLOGIES LIMITED
POLICY ON RELATED PARTY TRANSACTIONS

1. SCOPE AND PURPOSE

Quick Heal Technologies Limited (“**the Company**”) recognizes that related party transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company and its shareholders’ best interests and in compliance with the provisions of the Companies Act, 2013 (“**Act**”) and Regulations 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI (LODR), 2015**), as amended by the Securities and Exchange Board of India (“**SEBI**”) from time to time.

Regulation 23 (1) of the SEBI LODR, 2015 requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions.

Keeping the prescribed requirements in view, the Company has framed this policy on Related Party Transactions (“**Policy**”). This Policy is intended to provide a framework for governance and reporting of Related Party Transactions.

This Policy is in force as updated from time to time and adopted by the Board of Directors of the Company.

2. DEFINITIONS

- i) “**Act**” means the Companies Act, 2013 and applicable rules made thereunder and includes any amendments, statutory re-enactments, or modification thereof from time to time;
- ii) “**Arm’s Length Transaction**” means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest.
- iii) “**Audit Committee**” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Act and Regulation 18 of the SEBI (LODR), 2015;
- iv) “**Board of Directors**” or “**Board**” means the collective body of the Directors of the Company;
- v) “**Key Managerial Personnel (KMP)**” shall have the same meaning as defined in Section 2(51) of the Act. The following personnel, if any, would constitute KMPs of the Company:
 - a) the Chief Executive Officer (CEO)
 - b) the Managing Director (MD)
 - c) the Manager;

- d) the Company Secretary (CS);
 - e) the Whole-Time Director (WTD);
 - f) the Chief Financial Officer (CFO);
 - g) such other officers, not more than one level below the directors who is in whole time employment, designated as key managerial personal by the Board of Directors; and
 - h) such other officer as may be prescribed under the Act.
- vi) **“Listing Agreement”** shall mean an agreement that is entered into between a recognized stock exchange and an entity, on the application of that entity to the recognized stock exchanges, undertaking to comply with conditions for listing of designated securities.
- vii) **“Material Related Party Transactions”**, will have the same meaning as defined in Regulation 23 of the SEBI LODR, 2015.
- viii) **“Ordinary Course of Business”** means a transaction which is:
- a) carried out in the normal course of business envisaged in accordance with the memorandum of Association (MoA) of the Company as amended from time to time, or
 - b) historical practice with a pattern of frequency, or
 - c) common commercial practice, or
 - d) meets any other parameters / criteria as decided by the Board/Audit Committee.
- ix) **“Related Party”**, means a related party as defined under Section 2(76) of the Act, read with Rule 3 of the Companies (Specification of definitions details) Rules, 2014 or under the applicable accounting standards, which includes the following:
- a) a director or his relative;
 - b) a key managerial personnel or his relative;
 - c) a director (other than an independent director) or key managerial personnel of the holding company or his relative;
 - d) a firm, in which a director, manager or his relative is a partner;
 - e) a private company in which a director or manager or his relative is a member or director;
 - f) 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;
 - g) 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;
 - h) any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in above sub-clauses (g) and (h) shall apply to the advice, directions or instructions given in a professional capacity; 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 venture of the company

“The investee company or the venture of the company” mean a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate”

Further Related Party will include such entity which is a related party under the applicable accounting standards to the company.

Further provided that:

- 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:
 - i. of twenty per cent or more; or
 - ii. of ten per cent or more, with effect from April 1, 2023.
in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year; shall be deemed to be a related party.

Reference and reliance may be placed on the clarifications issued by the Ministry of the Corporate Affairs, Government of India and SEBI and other Authorities from time to time on the interpretation of the term “Related Party”.

x) **“Related Party Transactions”** mean all transactions between the Company on one hand and one or more related party on the other hand including contracts, arrangements and transactions as envisaged in Section 188(1) of the Act and/or in Regulation 2(1)(zc) of the SEBI (LODR), 2015, which includes the following:

- 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 the 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;
- g) Underwriting the subscription of any securities or derivatives thereof, of the Company; and shall also mean 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 by the listed entity 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) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/ public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:
- (d) acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:
- (e) 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.

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognized stock exchange(s);

- xi) **“Relative”** in relation to a Related Party shall have the same meaning assigned to in Section 2(77) of the Act read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014, as amended from time to time, which includes the following:

- a) Members of a Hindu undivided family;
- b) Husband or wife;
- c) Father (including step-father);
- d) Mother (including step-mother);
- e) Son (including step-son);
- f) Son's wife;
- g) Daughter;
- h) Daughter's husband;
- i) Brother (including step-brother); and
- j) Sister (including step-sister).

xii) **“Senior management”** shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

xiii) **“Material Modification”** shall mean any modification made in the value/exposure of any ongoing or proposed Related Party Transactions, as originally approved by the Audit Committee and/or shareholders, which has the effect of variation in the approved value of the transaction, by 25% or more or by which the transaction ceases to be in ordinary course and/or on arm's length basis or such other parameter as may be determined by the Audit Committee from time to time.

xiv) Any other term not defined herein shall have the same meaning as defined in the Act, the Securities and Exchange Board of India Act, 1992, SEBI LODR 2015, the Companies Act, 2013, the applicable accounting standards or any other applicable law or regulation.

3. MATERIALITY THRESHOLDS

Section 188 of the Act and Regulation 23(4) of the SEBI LODR requires a company to provide materiality thresholds for transactions beyond which the shareholders' approval shall be required by way of a resolution.

The Board of the Company has fixed the thresholds limits as specified in Section 188 of the Act and Regulation 23 of the SEBI LODR, as per **Annexure “1”** attached to the Policy.

Therefore, a 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 thresholds specified in Annexure 1 or 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 the thresholds specified in Annexure 1.

4. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

I. Identification of related parties

Every director and KMP of the Company shall provide a declaration in the format annexed as **Annexure 2** hereto, containing the prescribed disclosures, to the Company Secretary of the Company, on an annual basis.

Every Director and the KMP will also be responsible to update the Company Secretary of any changes in such disclosures immediately on him/her becoming aware of such changes.

The Company Secretary of the Company shall be responsible for maintaining the updated database of all Related Parties (in addition to the above). The database should be updated whenever necessary and should be reviewed at least once a year by the Company Secretary and by any of the other KMPs of the Company. The directors, KMPs, functional and business heads shall have access to the updated database.

II. Identification of Related Party Transactions

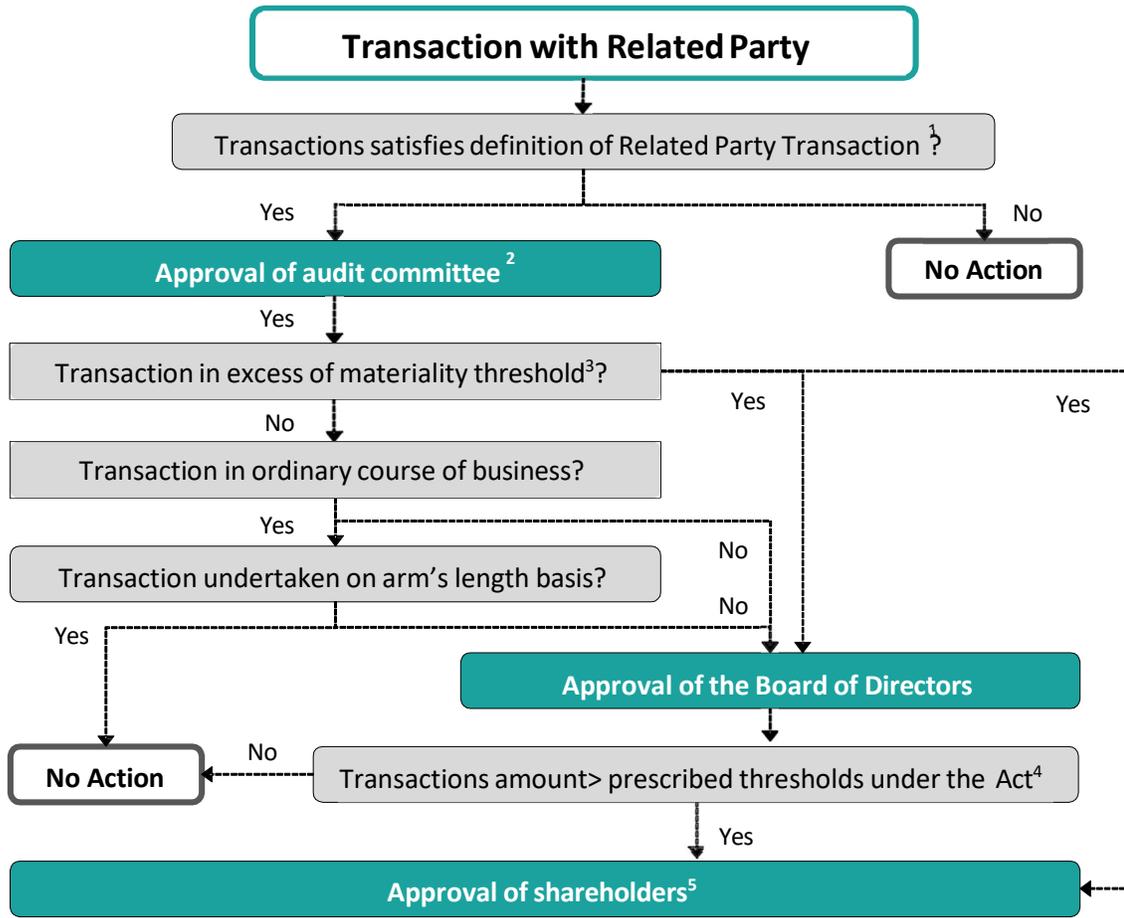
All Related Party Transactions must be brought to the notice of the Audit Committee of the Company.

Any employee of the Company who is aware of any transaction that is or may be perceived to be a Related Party Transaction is required to bring the same to the attention of the Audit Committee of the Company through Company Secretary.

Such notice of any potential Related Party Transaction should be given well in advance so that the Company Secretary has adequate time to obtain and review information about the proposed transaction and to refer it to the Audit Committee.

5. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

The review and approval process that may be followed for approval of Related Party Transactions is summarized in diagrammatic form for ease of reference:



Note:

1. Either under Section 188 of the Act or under Regulation 23 of SEBI LODR
2. Either an omnibus approval or a specific approval, as the case may be
3. Prescribed under Regulation 23 of SEBI LODR
4. Prescribed in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014
5. Whether by way of ordinary resolution or special resolution, as may be required under the provisions of the Act or Regulation 23 of SEBI LODR

I. Approval of the Audit Committee

All Related Party Transactions and subsequent material modifications shall require prior approval of the Audit Committee.

Provided that:

1. 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:

- (i) ten percent 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 listed entity as specified in annexure 1.

2. 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:

- (i) ten percent 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 listed entity as specified in Annexure 1:

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.

3. 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 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.

However, the Company may obtain omnibus approval from the Audit Committee for such transactions, subject to compliance with the following conditions:

- a) The Audit Committee shall lay down the criteria for granting omnibus approval in line with the Policy and such approval shall be applicable in respect of repetitive transactions;
- b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the company;

- c) The omnibus approval shall provide the following details:
- (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.

However, in case of Related Party Transactions which cannot be foreseen and where the above details are not available, Audit Committee may grant omnibus approval provided the value does not exceed Rs.1 crore per transaction;

- d) 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 approvals given; and

- e) Such omnibus approval shall be valid for 1 year and shall require fresh approval after the expiry of 1 year.

- f) 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 this regulation.

- g) Only Independent Directors in the Audit Committee shall approve the Related Party Transactions.

Any member of the Audit Committee, who has a potential interest in any Related Party Transaction, will recuse himself or herself and abstain from discussions and voting on the approval or ratification of such Related Party Transaction. Such members may, however, participate in discussions with respect to other Related Party Transactions placed for approval or ratification of the Audit Committee.

II. Information required by Audit Committee/Board for approval.

While assessing a proposal put up before the Audit Committee / Board for approval, the Audit Committee / Board may review the following documents or seek, *inter-alia*, the following information from the management in order to determine if the transaction is in the Ordinary Course of Business and at arm's length:

- 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) any other information relevant or important for the Board to take a decision on the proposed transaction.

Provided that if a transaction with a related party, whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification), do not exceed 1% of annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity or Rupees Ten Crore, whichever is lower, the listed entity shall provide 'Minimum information to the Audit Committee for approval of Related Party Transactions' specified below:-

Provided further that the above requirements, shall not be applicable to 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) which does not exceed Rs. One Crore.

Minimum information to the Audit Committee for approval of Related Party Transactions:

- a. Type, material terms and particulars of the proposed transaction;
- b. 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);
- c. Tenure of the proposed transaction (particular tenure shall be specified);
- d. Value of the proposed transaction;
- e. 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).
- f. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary
 - details of the source of funds in connection with the proposed transaction.
 - where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure;
 - 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
- g. Justification as to why the RPT is in the interest of the listed entity;
- 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

III. Approval of the Board of Directors of the Company

All Related Party Transactions which are either not in the Ordinary Course of Business or not at arm's length basis, are to be placed before the Board for its approval.

In addition to the above, the following kinds of transactions with Related Parties are also to be placed before the Board for its approval:

- a) Transactions in respect of which the Audit Committee is 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;
- b) Transactions which are in the Ordinary Course of Business and at arm's length basis, but which, in the Audit Committee's view, requires Board approval.
- c) Transactions meeting the materiality thresholds laid down Clause x) of the Policy, which are intended to be placed before the shareholders for approval except in case the transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders of the Company at the general meeting for approval.

IV. Approval of the Shareholders of the Company

- a) All Related Party Transactions exceeding the materiality thresholds, laid down in Clause x) of the Policy, are to be placed before the shareholders for approval by way of passing a resolution, no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not except,

- a. 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.
- b. 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
- c. 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.

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.

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.

b) All kinds of transactions specified under Section 188 of the Act which exceed the thresholds laid down in The Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, and satisfy either of the following two conditions require approval of Shareholders:

- (i) The transaction is not in the Ordinary Course of Business of the Company; or
- (ii) The transaction is not undertaken on an arm's length basis.

Minimum information to the Shareholders for approval of Related Party Transactions:

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:

- a. A summary of the information provided by the management of the listed entity to the audit committee as specified in paragraph 4 of this Section;
- b. Justification for why the proposed transaction is in the interest of the listed entity;
- c. Where the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details specified under para 4(f) above;
- d. 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;
- e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
- f. Any other information that may be relevant.

6. DISCLOSURES

The Company shall make all relevant disclosures as prescribed in the Act and the SEBI LODR as amended from time to time. In relation to Related Party Transactions, the Company shall also specifically make the following disclosures, *inter-alia*:

a) Disclosure in the Board's report

Prescribed details regarding Related Party Transactions shall be disclosed in the Board's report in the format prescribed in Rule 8 of the Companies (Accounts) Rules, 2014 i.e. Form AOC-2.

b) Disclosure to the Board

The agenda for the Board meeting at which a contract/ arrangement with a Related Party is proposed to be approved shall disclose details of such contract/ arrangement as prescribed in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI LODR, 2015 read with relevant circulars as amended from time to time.

c) Disclosure to the shareholders

In the notice to the postal ballot/general meeting where approval of shareholders is sought to be obtained, disclosure of details of proposed contracts/ arrangements as prescribed in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI LODR, 2015 read with relevant circulars shall be made in the explanatory statement annexed to the notice for postal ballot/convening general meeting at which the resolution is proposed to be passed.

d) Disclosures to the stock exchange

The details of all transactions with Related Parties shall be submitted, in the prescribed format to the stock exchanges, and requisite disclosures shall be made in other public documents/certificates as legally required, in the manner and as per the timelines set out in the SEBI LODR 2015 and the same shall be published on the Company's website.

Other disclosures

- Register of Related Party Transactions: The Company shall maintain a register of contracts/ arrangements entered into with Related Party in the prescribed format in Rule 16 of The Companies (Meetings of Board and its Powers) Rules, 2014 i.e. Form MBP-4. The Register of Related Party Transactions shall be kept open for inspection at the registered office of the company during business hours.
- The Company shall disclose the Policy on its website and a web link thereto shall be provided in the Annual Report;

7. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event that the Company becomes aware of a transaction with a Related Party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee.

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 this regulation;
- (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 this regulation;
- (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 authorized by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.

The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Audit Committee under this Policy and failure of the internal control systems and shall take any such action it deems appropriate.

In any case, where the Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the Related Party etc. In connection with any review/approval of a Related Party Transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy not specifically prescribed under the applicable law.

8. CONSEQUENCES OF NON-COMPLIANCE

Any director or any other employee of a company, who had involved in violation of the provisions of the Act or SEBI Regulation or this Policy shall be liable to a penalty of 25 lakhs rupees under the Act or liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees under SEBI ACT.

9. AMENDMENTS

All amendments to the Policy would be subject to approval by Board of Company as per the recommendations of the Audit Committee except in case the amendment in the Policy is necessitated on account of change in the applicable law. In such a case Audit Committee can amend the Policy at its own discretion and any such amendment will be noted by Board in its subsequent board meeting.

10. INTERPRETATION

All capitalized terms used in this Policy but not defined herein shall have the same meaning as prescribed under the Act, and the Rules made there under and the SEBI Listing Regulation, including any Statutory modification, amendment or re-enactment thereof from time to time.

In the event of any conflict between the provisions of this Policy and the provisions of the Act or any rules or regulations made thereunder, the provisions of the Act or Rules or Regulations shall prevail over this Policy.

Annexure 1

Threshold Limits

A: Under Companies Act, 2013

Transactions considered as related party transactions as per Sec. 188(1) and Limits as per rule 15 (3) of Companies (Meeting of Board and its powers) Rules, 2014		
a)	sale, purchase or supply of any goods or material, directly or through appointment of agent	≥10% of turnover# of the Company
b)	selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent	≥10% of net worth# of the Company
c)	leasing of property of any kind	≥10% of turnover# of the Company
d)	availing or rendering of any services, directly or through appointment of agent	≥10% of turnover# of the Company
f)	such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company	> Rs.2,50,000 monthly remuneration
g)	underwriting the subscription of any securities or derivatives thereof, of the company	>1% of net worth# of the Company

shall be computed on the basis of the audited financial statement of the preceding financial year.

Limit shall apply for transactions or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

B: Regulation 23 of SEBI LODR

A 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 following:

Consolidated Turnover of Listed Entity*	Threshold
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity >5% of the annual consolidated turnover of the Company as per last audited FS for brand usage or payment of royalty.
(II) More than ₹20,000 Crore to up to ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5000 Crores, whichever is lower.

*The annual consolidated turnover of the listed entity shall be determined based on the last audited financial statements of the listed entity.

Annexure 2

I. Companies, body corporates, firms or other associations of individuals in which interest is held by me:

Sr. No.	Name of the Companies/ Bodies Corporate/ Firms/ Association of Individuals	Nature of Interest or concern / Change in Interest or Concern	Shareholding	Date on which Interest or Concern arose/ changed

II. Bodies Corporates whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with my advice, directions or instructions*:

Sr. No.	Name of body corporate

III. Persons, whose advice, directions or instructions* I am accustomed to act in accordance with:

Sr. No.	Name of person	Relation

**other than advice, directions or instructions obtained in professional capacity*

List of my relatives:

Sr. No.	Name of person	Relation