
POLICY
ON
“RELATED PARTY TRANSACTIONS”

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1. INTRODUCTION

This Policy is primarily framed based on Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as '**Listing Regulations**') and the Companies Act, 2013.

The Board of Directors (the "**Board**") of Shukra Pharmaceuticals Limited (the "**Company**" or "**Shukra**"), at its meeting, has adopted the **Policy on Related Party Transactions** (the "**Policy**") and further adopted the revised Policy on Related Party Transactions on May 06, 2022, effective from April 01, 2022, upon the recommendation of the Audit Committee, as required under Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "**Listing Regulations**").

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

This Policy provides a framework for governance and reporting of related party transactions including material transactions.

2. PURPOSE / OBJECTIVE OF THE POLICY

Regulation 23(1) of the Listing Regulations stipulates that the listed entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once every three years and updated accordingly.

This Policy is framed as per the requirements of Regulation 23(1) of the Listing Regulations and in terms of Section 177 & 188 of the Companies Act, 2013 and is intended to ensure proper approval, disclosure and reporting requirements of transactions between the Company and its related parties.

Accordingly, this Policy has been framed keeping in view particularly the requirements of the Listing Regulations and the provisions of the Companies Act, 2013.

The objective of the Policy is to govern the approval process and disclosure requirements to ensure transparency in the conduct of related party transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

The Policy establishes the guidelines for identification, approval, governance, reporting and disclosures requirements to accord fairness in the treatment of related party transactions in the Company.

3. SCOPE:

This Policy is applicable to the Company. Further, approval of related party transactions to be entered in to by subsidiary company(s), if any, with their respective related parties, shall also be covered and governed by this Policy to the extent applicable.

4. DEFINITIONS:

"**Act**" means the Companies Act, 2013 read with rules made thereunder as amended from time to time.

"**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. For determination of arm's length basis, guidance may be taken from provisions of transfer pricing under the Income Tax Act, 1961.

“Audit Committee or Committee” means committee of the Board constituted from time to time under the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

“Board” means board of directors as defined under the Companies Act, 2013, as constituted from time to time.

“Company” shall mean Shukra Industries Limited.

“Key Managerial Personnel” means key managerial personnel as defined under the Companies Act, 2013.

“Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

“Material Related Party Transaction” would mean the following:

- A) 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 rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower;
- B) 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 (5%) percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

“Material Modifications”: a subsequent modification of transaction with a related party which is already approved as per this Policy, shall be considered as material, if the transaction(s) to be modified is having an upward variation of twenty percent or more in the already approved value as sanctioned by the Audit Committee/Board/Shareholders, as the case may be, during a financial year.

The Audit Committee of the Company shall define “material modifications”, from time to time and disclose it as part of this Policy.

“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.

“Ordinary course of business” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities, there is a historical practice and pattern of frequency (not an isolated transaction) and includes all such activities which the Company can undertake as enunciated in the memorandum and the articles of association, including, but not limited to sale or purchase of goods, property or services, leases, transfers, providing of guarantees or collaterals, in the normal routine in managing trade or business and is permitted by the objects clause of the memorandum and the articles of association of the Company.

The Company should take into account the frequency of the activity and its continuity carried out in a normal organized manner for determining what is in the ordinary course of business.

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

“**Policy**” shall mean the Policy on Related Party Transactions.

“**Related Party**” means, a person or an entity:

- (i) which is a related party under Section 2(76) of the Companies Act, 2013, as amended from time to time; or
- (ii) which is a related party under the applicable Indian Accounting Standards; or
- (iii) which is a related party under Regulation 2(1)(zb) of the Listing Regulations.

Provided that:

- (a) any person or entity forming a part of the promoter or promoter group of the Company; or
- (b) any person or any entity, holding equity shares:

- (i) of twenty per cent or more; or
- (ii) of ten per cent or more, *with effect from April 1, 2023*;

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

“**Relative**” means a relative as defined under Section 2(77) of the Companies Act, 2013 and includes anyone who is related in any of the following manner –

- 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); or
- j. Sister (including step-sister).

“**Related Party Transaction**” means any transaction as defined in Regulation 2(1)(zc) and Section 188(1) of the Companies Act, 2013, for transfer of resources, services or obligations between:

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

regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract.

Further, in terms of Section 188(1) of the Companies Act, 2013, the following transaction(s) between the Company and any Related Party, shall be related party transactions: –

- a. Sale, purchase or supply of any goods or materials directly or through appointment of agent;
- b. Selling or otherwise disposing of, or buying property of any kind directly or through appointment of agent;

- c. Leasing of property of any kind;
- d. Availing or rendering of any services directly or through appointment of agent;
- e. Related Party's appointment to any Office or Place of Profit in the Company, its subsidiary company or associate Company;
- f. Underwriting the subscription of any securities or derivatives thereof, of the Company.

(The above is an indicative list and not an exhaustive one)

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 Company 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 SEBI:

“Relative” means relative as defined under sub-section (77) of Section 2 of the Companies Act, 2013 and rules prescribed there under and includes anyone who is related in any of the following manner –

- 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); or
- j. Sister (including step-sister).

“Transaction” with a related party shall be construed to include a single transaction or a group of transactions.

“Turnover” shall have the same meaning as specified under Section 2(91) of the Companies Act, 2013.

5. INTERPRETATION:

Words and expressions used in this Policy shall have the same meanings respectively assigned to them in the following Acts, Rules and Regulations:

- i. The Companies Act, 2013 or the Rules framed thereunder;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. Indian Accounting Standards, as amended from time to time.

6. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS:

a) Identification of related parties:

The Company shall identify and update the list of related parties as prescribed under Section 2(76) of the Act read with the rules framed thereunder and Regulation 2(zb) of the Listing Regulations.

Every director shall at the beginning of the financial year provide information by way of written notice to the Company regarding his concern or interest in the entity with specific concern to parties which may be considered as Related Party with respect to the Company and shall also provide the list of Relatives which are regarded as Related Party as per this Policy.

Directors are also required to provide the information regarding their engagement with other entity during the financial year which may be regarded as Related Party according to this Policy.

b) Identification of related party transactions:

The Company to ensure identification of related party transactions in accordance with Section 177 & 188 of the Act and Regulation 2(zb) of the Listing Regulations. The Company shall also determine whether the transaction is in the ordinary course of business and at arm's length basis.

For this purpose, the Company may seek external professional opinion, as necessary.

The Company will identify potential transactions with Related Parties based on written notices of concern or interests received from its Directors / Key Managerial Personnel as well as based on the list of Related Parties of the subsidiary companies, in the manner prescribed in the Act and the rules thereunder and the Listing Regulations, as amended from time to time.

The Board/Audit Committee shall determine whether a transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

c) Procedure for approval of related party transactions:

(i) Approval of the Audit Committee

Companies Act, 2013 and SEBI Listing Regulations requirements

All transactions with related parties or any subsequent material modifications of such transactions require prior approval of the Audit Committee.

Provided that only those members of the Audit Committee, who are Independent Directors, shall approve related party transactions.

Based on the terms and conditions of a transaction, and applicable regulatory requirements, the Audit Committee shall recommend/refer it for the approval of Board of Directors or Shareholders.

Provided further that in case of transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions and in the manner as prescribed hereunder:

- i. The Audit Committee shall lay down the criteria for granting omnibus approval in line with the policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
- ii. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- iii. Such omnibus approval shall specify:
 - (a) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,
 - (b) the indicative base price/current contracted price and the formula for variation in the price, if any and
 - (c) 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, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding **INR ONE CRORE** per transaction;

- v. The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given; and
- vi. Such omnibus approvals shall be valid for a period of one year and shall require fresh approvals after the expiry of one year.

The Committee shall also satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.

The audit committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

The Company shall assess whether transactions with related parties are done on arm's length. Tests shall be conducted on an ongoing basis to determine that the transactions are in "ordinary course of business" and on "arms' length".

The Audit Committee shall take into consideration that subsequent events (i.e., events after the initial transactions have commenced) like evolving business strategies/ short term commercial decisions to improve/ sustain market share, changing market dynamics, local competitive scenario, economic/ regulatory conditions affecting the global/ domestic industry, may impact profitability but may not have a bearing on the otherwise arm's length nature of the transaction.

Approval of the Audit Committee shall not be necessary for: The provisions pertaining to –

- Prior approval of the Audit Committee for all RPTs;
- Omnibus approval for RPTs; and
- Prior approval of shareholders for Material Related Party Transactions and subsequent Material Modifications, shall not be applicable in case of:
 - a) transactions between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval; **and**

- b) 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.

(ii) Approval of the Board of Directors

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, all transactions which are not in the ordinary course of business and/or not on arm's length, shall be placed before the Board and/or its shareholders, as applicable, for approval.

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

- 1) Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the policy determined by the Board from time to time (i.e., value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
- 2) Transactions in respect of which the Audit Committee is 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;
- 3) Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view requires Board approval.
- 4) Transactions meeting the materiality thresholds laid down in this Policy, which are intended to be placed before the shareholders for approval.

(iii) Approval of the Shareholders of the Company:

All transactions enumerated in the first proviso to Section 188(1) of the Companies Act, 2013, which-

- (a) are not in the ordinary course of business and on arm's length; **and**
- (b) exceeding the thresholds laid down in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, shall be approved by the Shareholders.

All material related party transactions including the following shall need prior approval of the Shareholders of the Company through a Resolution on which, no related party shall vote, whether the entity is a related party to the particular transaction or not: -

- a) Sale, purchase or supply of any goods or materials, directly or through appointment of agent - above 10% of the consolidated annual turnover of the Company or INR 1000 crores, whichever is lower;
- b) Selling or otherwise disposing of, or buying, property of any kind, directly or through appointment of agent - above 10% of the net worth of the Company or INR 1000 crores, whichever is lower;
- c) Leasing of property of any kind - above 10% of the consolidated annual turnover of the Company or INR 1000 crores, whichever is lower;
- d) Availing or rendering of any services, directly or through appointment of agent - above 10% of the consolidated annual turnover of the Company or INR 1000 crores, whichever is lower;
- e) Related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company - Monthly remuneration above INR 250,000;

- f) Underwriting the subscription of any securities or derivatives, thereof, of the Company - above 1% of net worth of the Company; and
- g) Payment towards brand usage or royalty - above 5% of the consolidated turnover of the Company.

Procedure for approval of related party transactions where the Company is not a party:

- (a) a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the Audit Committee of the Company if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the Company;
- (b) with effect from April 1, 2023, a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the Audit Committee of the Company if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary;
- (c) prior approval of the Audit Committee of the Company shall not be required for a related party transaction to which the listed subsidiary, if any, is a party but the Company, is not a party, if Regulation 23 and sub-regulation (2) of Regulation 15 of the Listing Regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of the Company as referred to in (c) above, the prior approval of the Audit Committee of the listed subsidiary shall suffice.

All material related party transactions and subsequent material modifications as defined by the Audit Committee in this Policy shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not:

Provided that prior approval of the shareholders of the Company shall not be required for a related party transaction to which the listed subsidiary is a party but the Company is not a party, if Regulation 23 and sub-regulation (2) of Regulation 15 of the Listing Regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of the Company as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.

APPROVAL MATRIX WITH THRESHOLD LIMITS OF TRANSACTIONS WITH RELATED PARTIES:

Transaction Type	Approving Authority	Transactions	Threshold
RPTs in the ordinary course of business and at arm's length and subsequent material modifications thereof.	Audit Committee	All types of Transactions	Not applicable

RPT's not in ordinary course of business or; not at arm's length and subsequent material modifications thereof	Audit Committee and the Board If the RPT's exceed the Threshold Limits, in addition to above, approval of Shareholders by an ordinary resolution	a. Sale, purchase or supply of any goods or material, directly or through appointment of agent; b. Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent; c. Leasing of property of any kind; d. Availing or rendering of any services, directly or through appointment of agent; e. Appointment to any office or place of profit in the Company, its subsidiary company or associate company; f. Remuneration for Underwriting the subscription of any securities or derivatives, thereof	a. Amounting to ten percent (10%) or more of the turnover of the Company; b. Amounting to ten percent (10%) or more of the net worth of the Company; c. Amounting to ten percent (10%) or more of the turnover of the Company; d. Amounting to ten percent (10%) or more of the turnover of the Company; e. Monthly remuneration exceeding two and a half lakh rupees (Rs.2,50,000/- p.m.); f. Exceeding one percent (1%) of the net worth of the Company.
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Transaction Type	Approving Authority	Transactions	Threshold
Material RPTs and subsequent material modifications thereof	Audit Committee, Board of Directors and Shareholders	a. All types of Transactions excluding brand usage and royalty b. Brand usage and Royalty payments transactions	Individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten (10%) percent of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower. Individually or taken together with previous transactions during a financial year, exceed five (5%) percent of the annual consolidated turnover of the Company as per the last audited financial statement.
<i>Explanation: The turnover or net worth referred above shall be computed on the basis of the audited financial statement of the preceding financial year.</i>			

7. RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED

In the event the Company becomes aware of a Related Party Transaction that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practicable, not later than three months, before the Audit Committee or the Board or the Shareholders, as may be required in accordance with this Policy for review and ratification.

The Audit Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company shall take such action as the Audit Committee deems appropriate under the circumstances.

8. AMENDMENTS:

This Policy shall be reviewed by the Audit Committee and recommended to the Board of Directors, as and when considered necessary as per statutory and business requirements of the Company. The Company reserves its rights to alter, modify, add, delete or amend any of the provisions of this Policy.

9. DISCLOSURES:

- ✓ A copy of the Policy including amendments thereto shall be hosted on the website of the Company at info@shukrapharmaceuticals.com and its weblink shall be provided in the annual report.
- ✓ Every Related Party Transaction with proper justification shall be disclosed in the financial statements.
- ✓ The annual report shall include disclosures of transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, in the format prescribed in the relevant accounting standards for annual results and also disclosure by the Company and its subsidiaries and associates of 'Loans and advances' in the nature of loans to firms/companies in which directors are interested by name and amount.
- ✓ Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- ✓ The Company shall submit enhanced disclosure of information related to RPTs to be provided to the stock exchanges every six months in the format specified by the SEBI with the following timelines:
 - within 15 days from the date of publication of financials;
 - simultaneously with the financials w.e.f. April 1, 2023;and also publish the same on its website.
- ✓ This Policy will be communicated to all operational employees and other concerned persons of the Company.
- ✓ The suggested details and list of records and supporting documents which are required to be provided along with the Notice of the proposed transaction (to Audit Committee / Board / Shareholders, as the case may be) are provided in **Annexure 1 & 2** to this Policy.

Disclaimer: Provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

**INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE / THE BOARD OF DIRECTORS IN
RELATION TO THE PROPOSED RELATED PARTY TRANSACTION
(TO THE EXTENT RELEVANT TO THE TRANSACTION)**

(SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021)

- 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:
 - (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 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.

**INFORMATION TO BE PROVIDED TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED
RELATED PARTY TRANSACTION
(TO THE EXTENT RELEVANT TO THE TRANSACTION)**

(SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021)

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 **Annexure 1** above;
- b. Justification for why the proposed transaction is in the interest of the listed entity;
- c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details specified under point (f) of **Annexure 1**; (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/NBFCs.)
- 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.