

MEGLON INFRA-REAL (INDIA) LIMITED

RELATED PARTY TRANSACTIONS POLICY

PREAMBLE:

The Meglon Infra-Real (India) Limited shall engage with Related Parties in the Ordinary course of business and on Arm's length basis to leverage scale, size and drive operational synergies to provide value added, innovative products to its consumers while ensuring that the transactions with related parties are fully compliant with applicable regulations.

PURPOSE:

The policy is not to be in the best interest of its stakeholders but also in due compliance with the requirements of the Companies Act, 2013 and rules made thereunder ('the Act') and other applicable laws. Further, as per regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') a policy needs to be formulated to deal with Related Party Transactions including formulating a policy on materiality of related party transaction. This policy lays down the mechanism to deal with related party transaction(s).

DEFINITIONS:

All capitalized terms used in this policy document but not defined herein shall have the meaning described to such term in the Companies Act, 2013 and the rules made thereunder, applicable accounting standard and the Listing Regulation, as amended from time to time.

The Audit Committee of the Company shall review all existing related party transactions as a matter of good governance and agree on corrective steps, if required, to ensure that the transactions entered are in the ordinary course of business and are on an arm's length basis.

DEALING WITH RELATED PARTY TRANSACTION:

Related Party Transactions are prohibited, unless previously approved or ratified by the Audit Committee and/or the Board of Directors of the Company in accordance with this policy. In dealing with Related Party Transactions, the Company will follow the following approach:

IDENTIFICATION OF RELATED PARTY TRANSCATIONS:

All Related Party Transactions must be brought to the notice of the Audit Committee of the Company. Any employee of the Company is aware of any transactions that is of 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. All Directors, Members of the Management Committee & Key Managerial Personnel (KMP's) are responsible for informing the Company of their interest (including interest of their relatives) in other Companies, firm of concerns at the beginning of every financial year and any change in such interest during the year. In addition, all Directors , Members of the Management Committee & Key Managerial Personnel (KMP's) are responsible for providing notice to the Company Secretary/Compliance Officer of any potential related party transaction involving him/her or his or relative including any additional information about the transaction that the Audit Committee may request.

The Board shall record the disclosure of the interest and the Audit Committee will determine whether the transaction is in the ordinary course of business and on arm's length basis or not. Such notice of any potential related party transaction(s) should be given well in advance so that the Company Secretary/Compliance Officer has adequate time to obtain and review information about the proposed transaction and refer it to the Audit Committee.

REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS:

The Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following disclosure in approval:

- 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.

However, in case of related party transaction(s) 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. One Crore per transaction;

Such omnibus approval shall be valid for a period of one year and shall require fresh approvals after the expiry of one year.

All entities falling under the definition of Related Parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

REVIEW OF APPROVALS:

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.

ASSESSMENT FOR APPROVAL:

While assessing a proposal put up before the Audit Committee / Board for approval, the Audit Committee / Board may review such documents and seek such information as it deems necessary from the management in order to determine if the transaction is in the ordinary course of business and at arm's length or not.

APPROVAL OF BOARD OF DIRECTORS OR OF SHAREHOLDERS THE COMPANY:

In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm's length, the Company shall comply with the provisions of the Companies Act 2013 and the rules made thereunder and obtain approval of the Board and/or its shareholders, as applicable, for such contract or arrangement.

All material related party transactions, other than those with exempted Wholly Owned Subsidiaries will be placed for approval of the shareholders of the Company.

A transaction with a related party is considered material if the transaction/transactions to be entered into, either individually or taken together with previous transactions with such related party during a financial year, exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

DISCLOSURES:

The Company shall disclose, in the Board's report, transactions prescribed in Section 188 (1) of the Act with related parties, which are not in ordinary course of business or arm's length basis along with the justification for entering into such transaction.

REVIEW & REVISION:

The Audit Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy. The Audit Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.
