

SANBLUE CORPORATION LIMITED

**POLICY FOR RELATED PARTY TRANSACTIONS
(RPTs)**

PREAMBLE:

The Board of Director of the Company has adopted the following policy and procedure with regards to dealing with Related Party Transactions and policy on materiality of Related Party Transactions. The Audit Committee will review the same from time to time and propose the amendment required in the policy to the Board of Directors.

OBJECTIVE:

The changes introduced in the corporate governance norms through the Companies Act, 2013 the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as LODR), prescribed for related party transactions.

DEFINITIONS:

- a) **Related Party:** A Related Party shall have the same meaning as defined under the Act and the LODR.
- b) **Related Party Transaction ("RPT"):** A Related Party Transaction is a transfer of resources, services or obligations between a company and a Related Party, regardless of whether a price is charged. A transaction with a related party shall be construed to include single transaction or a group of transactions in a contract.
- c) **Materiality:** The materiality of any RPT will be ascertained as per the thresholds prescribed under the LODR.
- d) **Arm's Length Basis:** RPT will be treated to be on 'Arm's Length Basis' if the key terms, taken as a whole, are comparable with those of similar transactions if they would have been undertaken with non-related parties.
- e) **Ordinary Course of Business:** RPT will be considered in ordinary course if they are entered in the normal course of the business pursuant to the objects of the Company as per the charter documents of the Company.

AUDIT COMMITTEE:

The RPTs should be in conformity with the prevailing rules and regulations prescribed by law & shall be placed before the Audit Committee for prior approval of the Audit Committee.

Subject to the applicable laws, the Audit Committee shall have the power to ratify, revise or terminate the RPTs as and when required.

OMNIBUS APPROVAL :

The Audit Committee may grant omnibus approval for RPTs which are repetitive in nature, provided that such approval shall remain valid for a period not exceeding one year, during which period the commercial terms of approved RPTs may change, provided that arm's length criterion shall be ensured at the time of each such change. Further, where the need for RPTs cannot be foreseen and requisite details are not available, the Audit Committee may grant omnibus approval for such transactions provided that the value of each such transaction shall not exceed Rs. 1 crore.

All RPT specified in the Act which are not Ordinary Course of Business of the Company or not at Arm's Length Basis; and exceed the thresholds laid down in Companies (Meeting of Board and its Power) Rules, 2014 shall be placed before the board of directors and subject to shareholders for its approval. Notwithstanding, the RPTs which cross the Materiality thresholds as defined herein shall be entered by the Company only with prior approval of shareholders of the Company, as per applicable provisions of the LODR, as may be amended from time to time.

TRANSACTION SHALL NOT COVERED UNDER RPTS :

Any transaction that involves the providing of compensation to a director by way of salary, fee, commission, perquisites, rent free accommodation or otherwise, in connection with his or her duties to the Company;

Any transaction in which the related party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the related party;

Contributions made by the Company to a charitable organization, trust, foundation or university at which a related party is a trustee, director or employee other than key managerial personnel (or comparable position), provided that each such contribution, made in a particular financial year, does not exceed two per-cent (2%) of the Company's average net profit for the preceding three financial years;

DISCLOSURE:

In any circumstance where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule, regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the said law, rule, regulation or standard.

The Policy shall be made available on the website of the Company - www.sanbluecorporation.com
