

POLICY ON RELATED PARTY TRANSACTIONS (RPT)

SCOPE AND PURPOSE OF THE POLICY

Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the Rules framed there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Starlite Global Enterprises (India) Limited (SGEIL) has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also, Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions.

In light of the above, SGEIL has framed this Policy on Related Party Transactions ("Policy"). This Policy has been adopted by the Board of Directors of the Company.

All the Related Party Transactions under section 188 of the Companies Act 2013 shall be approved by the Board of Directors of the Company; however this provision will not apply to the transactions entered into by the company in its ordinary course of business other than transactions which are not on an "arm's length"* basis.

OBJECTIVE OF THE POLICY

The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and any other laws and regulations as may be applicable to the Company.

(a) MATERIALITY THRESHOLDS

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, requires a company to provide materiality thresholds for transactions beyond which the shareholders' approval will be required by way of a special resolution. SGEIL has fixed its materiality threshold at 10% of the annual turnover of the company as per last audited financial statements of the Company.

(b) THE MANNER OF DEALING OF RELATED PARTY TRANSACTIONS

- All the Material Related Party Transactions as per Listing Agreement shall be approved by the Board of Directors of the Company.

1. The Company shall not enter into any contract or arrangement with a Related Party without the prior approval of the Audit Committee.

2. 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 conditions:

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.

3. The Audit Committee may also, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that cannot be foreseen and for which the aforesaid details are not available up to a value of Rs. 10 Lakhs per transaction.

4. The Audit Committee shall review, on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

- Approval of the Shareholders of the Company

All the transactions with related parties exceeding the materiality thresholds as laid down in this Policy, are placed before the shareholders for approval.

Approval of the Shareholders of the Company

RIGHT TO AMENDMENT

This policy has been adopted by the Board of Directors at its meeting held on 10th November, 2020 and may be modified / amended by the Board as may be required from time to time.

* Arms' Length is the price which is applied or proposed to be applied in a transaction between persons other than associated enterprises in uncontrolled condition. IT Act, 1961 (92F).

