

Kore Foods Limited
(Formerly known as Phil Corporation Ltd.)

Registered Office: Vision House, Tivim Industrial Estate, Mapusa, Goa 403 526
Tel No. (0832) 2257347 / 2257729

CIN L33208GA1983PLC000520

To

Date: 13th May, 2020

Corporate Relations Department,
Bombay Stock Exchange Limited,
P.J. Towers, 25th Floor, Dalal Street
Mumbai - 400001

Dear Sir,

Subject: Intimation Regarding Revision in the policies of the Company.
Scrip Code: 500458

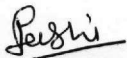
This is to inform you that the Board of Directors of the Company in their Board Meeting held on 12.05.2020 revised the following Policies:

1. Risk Management Policy
2. Code of Conduct for Directors and Senior Management Personnel and Independent Directors
3. Vigil Mechanism Policy
4. Related Party Transaction Policy

Enclosed herewith the copy of the abovementioned policies for your information and record.

Thanking you.

Yours faithfully
For Kore Foods Limited,



Puja Joshi
Company Secretary-cum-Compliance Officer



Encl: As Above.

RISK MANAGEMENT POLICY

of

KORE FOODS LIMITED

Regd. Office:
Vision House
Tivim Industrial Estate
Mapusa Goa
403 526

1. BACKGROUND

Kore Foods Limited (the Company) is engaged in the manufacturing of a range of food products. The business activities of the Company are exposed to various internal and external risks.

'Risk' is a literal term and can be defined as the effect of uncertainty on the objectives. Risk is measured in terms of consequences and likelihood. Risks can be internal or external and are inherent in all administrative and business activities. Every member of any organization continuously manages various types of risks. Formal and systematic approaches to managing risks have evolved and they are now regarded as good management practice also called Risk Management.

'Risk Management' is the identification, assessment, and prioritization of risks followed by co-ordinated and economical application of resources to minimize, monitor, and control the probability and/ or impact of uncertain events or to minimize the realization of opportunities. Risk Management also provides a system for the setting of priorities when there are competing demands on limited resources.

Effective Risk Management requires:

- A strategic focus
- Forward thinking and active approach to management
- Balance between the cost of managing risk and the anticipated benefits, and
- Contingency planning in the event that critical threats are realized.

In today's challenging and competitive environment, strategies for mitigation inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, Competition, Business Risk, Technology, Obsolescence, return on investment, business cycle, increase in price and costs, limited resources, retention of talent etc.

2. LEGAL FRAMEWORK

Risk Management is a key aspect of Corporate Governance Principles and Code of Conduct which aims to improvise the governance practices across the business activities of any organization. The new Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have incorporated various provisions in relation to Risk Management Policy, procedure and practices.

The Provisions of Section 134 (3)(n) of the Companies Act, 2013 necessitate that the Board's Report should contain a statement indicating development and implementation of a risk management policy of the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

Further, The provisions of Section 177 (4) (vii) of the Companies Act, 2013 require that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall inter alia include evaluation of risk management systems.

In line with the above requirements, it is therefore, required for the Company to frame and adopt a 'Risk Management Policy' (this Policy) of the Company.

3. PURPOSE AND SCOPE OF THE POLICY

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risk associated with the Company's business. In order to achieve the key objective, this Policy establishes a structure and disciplined approach to Risk Management, in order to guide decisions of risk related issues.

The specific objectives of this Policy are:

- To ensure that all the current and future material risk exposures of the Company are identified, assessed, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management.
- To establish a framework for the company's risk management process and to ensure its implementation.
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- To assure business growth with financial stability.

4. APPLICABILITY

This Policy applies to all areas of Company's operations.

5. KEY DEFINITIONS

- **Risk Assessment -**
The systematic way of identifying and analyzing risks. Risk Assessment consists of a detailed study of threats and vulnerability and resultant exposure to various risks.
- **Risk Management -**
The systematic way of protecting business resources and income against losses so that the objective of the Company can be achieved without unnecessary interruption.
- **Risk Management Process -**
The systematic application of management policies, procedures and practice to the tasks of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risk.

6. RISK FACTOR

The objective of the Company are subject to both external and internal risks that are enumerated below:

- **External Risk Factors**
 - Economic, Environment and Market conditions
 - Political Environment
 - Competition
 - Revenue Concentration and Liquidity aspects
 - Inflation and Cost structure
 - Technology Obsolescence
 - Legal

- **Internal Risk Factors**

- Operational Efficiency
- Hurdle in optimum use of resources
- Quality assurance
- Environmental Management
- Human Resource Management
- Culture and Values

7. RESPONSIBILITY FOR RISK MANAGEMENT

Generally every staff member of the Organization is responsible for the effective management of risk including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk Management processes should be integrated with other planning processes and management activities.

8. COMPLIANCE AND CONTROL

All the Senior Executives under the guidance of the Chairman and the Board of Directors has the responsibility for over viewing management's processes and results in identifying, assessing and monitoring risk associated with organization's business operations and the implementation and maintenance of policies and control procedures to give adequate protection against key risk. In doing so, the Senior Executives considers and assesses the appropriateness and effectiveness of management information and other systems of internal control, encompassing review of any external agency in this regard and action taken or proposed resulting from those reports.

9. REVIEW

The Board shall review the policy from time to time, to ensure it meets the requirements of legislation and the needs of the organization.

10. AMENDMENT

This Policy can be modified at any time by the Board of Directors of the Company.

**CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL AND
INDEPENDENT DIRECTORS
OF
KORE FOODS LIMITED
(Formerly known as Phil Corporation Limited)
(Amended Code of Conduct)**

**I. CODE OF CONDUCT FOR BOARD OF DIRECTORS:
[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

Directors shall:

1. Adopt highest standards of personal and professional integrity and ethical conduct.
2. Act diligently, openly, honestly and in good faith.
3. Provide leadership in advancing the company's vision, values and guiding principles.
4. Attend and actively participate in regular and special meetings of Board and Committees on which they serve.
5. Maintain the confidentiality of all the details about the company.
6. Understand the Company's principal business plans, strategies and objectives, operational results, financial condition and relative market place position.
7. Declare / disclose any change in their employment, other board positions committee memberships immediately from the date of change.
8. Disclose relationship with other business, charitable, conflicts of interest, which may interfere with their ability to perform their function as Director.
9. Disclose shareholding in the Company and the changes thereof immediately.
10. Devote their full attention to the business interest of the Company.
11. Not engage in any activity which is prejudicial to the interest of the Company.

**II. CODE OF CONDUCT FOR SENIOR MANAGEMENT:
[Pursuant SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

Senior Management shall:

1. Abide by the ethical business conduct, uphold the standard in day to day activities, and comply with all applicable laws, rules and regulations.
2. Follow highest standards of personal and professional integrity, honesty and ethical conduct while working in the Company's premises or outside or in social events.
3. Avoid any conflict of interest with the Company's business policies / regulations and not to take part in any activity that may enhance, support competitors position.
4. Devote their full attention to the business interest of the Company and shall protect the

assets and properties of the Company and ensure efficient use for the business of the Company.

5. Obtain approval from the Company before accepting any Directorship from other Companies.
6. Neither give nor accept any improper / illegal and unauthorized gratification for any purpose whatsoever.
7. Keep confidential all the information available through employment and not to use them for personal gain.
8. Continuously review, update and strive to improve the procedures and working methodology.

III. CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

All Independent Directors shall adhere to the following duties prescribed under schedule IV of the Companies Act, 2013 in addition to the duties mentioned in Part I above:

A. Guideline to professional conduct:

An Independent Director shall;

1. Uphold ethical standard of integrity and probity.
2. Act objectively and constructively while exercising his duties.
3. Exercise his responsibilities in a bona fide manner in the interest of the company.
4. Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
5. Not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
6. Not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
7. Refrain from any action that would lead to loss of his independence.
8. Where circumstances arise which makes an independent director lose his independence, the independent director must immediately inform the Board accordingly.
9. Assist the company in implementing the best corporate governance practices.

B. Role and functions:

The Independent director shall:

1. Help in bringing in independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct.
2. Bring an objective view in the evaluation of the performance of board and management.
3. Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
4. Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
5. Safeguard the interests of all stakeholders, particularly the minority shareholders.
6. Balance the conflicting interest of the stakeholders.
7. Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management.
8. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

C. Duties

The Independent Director shall:

1. Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
2. Seek appropriate clarifications or amplifications of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company.
3. Strive to attend all meetings of Board of Directors and the Board Committee of which he is a member.
4. Participate constructively and actively in the Committees of the Board in which they are chairpersons or members.
5. Strive to attend the General Meetings of the Company.
6. Where there are concerns about running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board Meeting.

7. Keep themselves well informed about the Company and the external environment in which it operates.
8. Not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board.
9. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company.
10. Ascertain and ensure that the Company has an adequate and functional Vigil Mechanism and to ensure that the interest of a person who uses such mechanism is not prejudicially affected on account of such use.
11. Report concerns about unethical behavior actual or suspected fraud or violation of the Company's Code of Conduct or ethics Policy.
12. Act within their authority , assist in protecting the legitimate interests of the Company, shareholders and its employees
13. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY
OF
KORE FOODS LIMITED**

1. As per Section 177(9) of the Companies Act 2013 every Listed Company shall establish a Vigil Mechanism for Directors and Employees to report genuine concerns in such manner as per Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014. Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also requires a Vigil Mechanism for Directors and Employees to report genuine concerns.

The Vigil Mechanism shall provide for adequate safeguards against victimization of director(s), employee(s) or any other person who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

2. **Scope of the Policy:**

The policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the company is affected and formally reported by whistle blowers concerning its employees.

“Whistle blower” is an employee or group of employees who make a protected Disclosure under this policy and also referred as complaint.

“Subject” means a person or group of persons against or in relation to whom a protected Disclosure is made or evidence gathered during the course of an investigation.

“Protected Disclosure” means a concern caused by an employee or group of employees of the company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity within the scope of the policy with respect to the company. The protected Disclosures should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

‘Employee’ means all the present employees and Chairman/ Managing Director/ Whole Time Director of the company.

‘Nodal Officer’ means an officer of the company nominated by the Chairman/ Managing Director/ Whole Time Director to receive protected Disclosures from Whistle blower, maintaining records thereof, placing the same before the ‘Audit Committee’ for its disposal and informing the Whistle blower the result thereof.

‘Audit Committee’ means a committee constituted by the Board of Directors of the Company.

3. **RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES**

- 3.1 Protected Disclosures should be reported in writing by the complainant as soon as possible after the whistle blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Konkani
- 3.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected Disclosure under the Whistle Blower Policy”. If the complaint is not super scribed and closed as mentioned above it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the nodal officer will not issue any acknowledgement to the complainant and the complainants are advised neither to write the name / address of the complainant on the envelope nor to enter into any further correspondence with the nodal officer / audit committee.

The audit committee assures that in case any further clarification is required he will get in touch with the complainant.

3.3 Anonymous / pseudonymous disclosure shall not be entertained by the Nodal Officer.

3.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Nodal officer / Managing Director / CFO / Chairman of Audit Committee shall detach the covering letter bearing the identity of the whistle blower and process only the Protected Disclosure.

3.5 All protected Disclosures should be addressed to the Nodal Officer of the Company. The contact details of the Nodal officer is as under:-

Address of Nodal Officer -	Mrs. Shalini Lobo Kore Foods Limited Vision House, Tivim Industrial Estate, Karaswada
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3.6 Protected Disclosures against the Nodal Officer should be addressed to the Chairman/Managing Director/ Whole Time Director of the Company and the Protected Disclosure against the Managing Director / Whole Time Director of the company should be addressed to the Chairman of the Audit Committee. The Contact details of the Managing Director / Whole Time Director / and the Chairman of the Audit Committee are as under:

Name of Managing Director (MD)	Mr. John Silveira
Name of CFO	Mrs. Shalini Lobo
Name of the Chairman of the Audit Committee	Mr. Sadashiv Shet

Name of the Nodal Officer	Mrs Shalini Lobo
Address for communication	Kore Foods Limited Vision House, Tivim Industrial Estates, Karaswada Mapusa Goa

3.7 On receipt of the Protected Disclosure, the Nodal Officer / MD / CFO / Chairman of the Audit Committee shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not before referring the matter to the Audit Committee of **The Kore Foods Limited** for further appropriate investigation and needful action. The record will include:

- a) Brief facts;
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether the same Protected Disclosure was raised previously on the same subject;
- d) Details of actions taken by Nodal Officer / MD / CFO for processing the complaint.
- e) Findings of the Audit Committee;
- f) The recommendations of the Audit Committee / other action(s).

3.8 The Audit Committee if deems fit may call for further information or particulars from the complainant.

4. INVESTIGATION

4.1 All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee (AC) may investigate and may at its discretion consider involving any other Officer of the Company including Vigilance and Security Officer of the Company for the purpose of investigation.

- 4.2 The decision to conduct an investigation taken by the AC is by itself not an accusation and is to be treated as a neutral fact finding process.
- 4.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 4.4 Subject(s) shall have a duty to co-operate with the AC or any of the Officers appointed by it in this regard to the extent that such cooperation will not compromise self-incrimination protections available under the applicable laws.
- 4.5 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 4.6 Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 4.7 Subject(s) have a right to be informed of the outcome of the investigations.
- 4.8 The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the AC deems fit and as applicable.

5. DECISION AND REPORTING

- 5.1 Audit Committee along with its recommendations will report its findings to the MD / CFO through the Nodal Officer within 15 days of receipt of report for further action as deemed fit. In case prima facie case exists against the subject, then the MD / CFO shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of above decision shall be addressed to the Audit Committee, the Nodal Officer, the complainant and the subject.
- 5.2 In case the subject is a Nodal Officer of the Company, the protected disclosure shall be addressed to the MD / CFO who, after examining the protected disclosure shall forward the matter to the Audit Committee. The Audit Committee after providing an opportunity to the subject to explain his position and after completion of investigation shall submit a report along with its recommendation to the MD / CFO. After considering the report and recommendation as aforesaid, MD / CFO shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of the above decision shall be addressed to the Audit Committee, the Nodal Officer, the Complainant and the subject.
- 5.3 In case the Subject is the MD / CFO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the Protected Disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 5.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 5.5 A complainant who makes false allegations of unethical & improper practices or about wrongful conduct of the subject to the Nodal Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

6. **SECRECY / CONFIDENTIALITY**

The complainant, Nodal Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:

1. Maintain confidentiality of all matters under this Policy.
2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
3. Not keep the papers unattended anywhere at any time.
4. Keep the electronic mails / files under password.

7. **PROTECTION**

No unfair treatment will be meted out to a whistle blower by virtue of his / her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like realization, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure etc.

A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the audit committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

8. **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

9. **COMMUNICATION**

A whistleblower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed by publishing on the notice board and the website of the Company.

10. RETENTION OF DOCUMENTS

All Protected Disclosures documented along with the results of Investigation relating thereto, shall be retained by the Nodal Officer for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

11. ADMINISTRATION AND REVIEW OF THE POLICY

The Chairman/ Managing Director / Whole Time Director shall be responsible for the administration, interpretation, application and review of this policy. The Chairman/ Managing Director / Whole Time Director also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

12. ANNUAL AFFIRMATIONS

The Company shall annually affirm that it has provided protection to the complainant from unfair adverse personal action. The affirmation shall also form part of Corporate Governance report which is attached to the Annual report of the Company.

RELATED PARTY TRANSACTION POLICY

1. Preamble

The Board of Directors (the “Board”) of KORE FOODS LIMITED (the “Company”), has adopted the following policy and procedures with regard to Related Party Transactions as defined below.

This policy will be applicable to the Company. This policy is to regulate transactions between the Company and all its Related Parties based on the applicable laws and regulations applicable to the Company.

2. Purpose

This policy was framed as per the new amendments to Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges and shall become effective from 1st October, 2014 and now the Listing Agreement is replaced with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, accordingly this policy is framed as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the applicable provisions of the Companies Act, 2013 and is intended to ensure for proper approval and reporting of transactions between the Company and its Related Parties. This revised policy is approved in the Board Meeting of the Company held on 12.05.2020. The transactions with related parties shall be entered into only if they are in the best interest of the Company and its shareholders. The Companies Act, 2013 requires that Report of the Board of Directors of the Company shall contain all the particulars of the contracts or arrangements with related parties. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the Company to disclose the policy on dealing with Related Party Transactions on the website of the Company and a weblink to be provided in the Annual Report.

3. Definitions

“**Company**” means Kore Foods Limited.

“**Audit Committee or Committee**” means Committee of Board of Directors of the Company.

“**Board**” means Board of Directors of the Company

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

“**SEBI (LODR) Regulations**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

“**Material Related Party Transaction**” means a transaction with related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Notwithstanding the above, with effect from July 01, 2019 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 percent of the annual consolidated turnover of the Company as per the last financial statements of the Company.

“**Policy**” means Related Party Transaction Policy.

“**Related Party**” Regulation 2(zb) of SEBI (LODR) Regulations which is as follows:

a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:

Provided that any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party.

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).

“**Related Party Transaction**” means a transfer of resources, services or obligations between a listed entity and a related party, 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 this definition shall not be applicable for the units issued by mutual funds which are listed on a recognized stock exchange(s).

“**Relative**” means relative as defined under sub-section (77) of section 2 of the Companies Act, 2013 and rules prescribed there under;

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

1. Policy

All Related Party Transactions shall require prior approval of the Audit Committee in accordance with this Policy.

All Related Party Transactions shall be placed before the Board for information. The approval of the Board and shareholders will be taken for all related party transactions, wherever required, under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations.

1.1 Identification of Potential Related Party Transactions :

Each director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. The Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The Finance Department shall ensure that no related party transactions are processed without the approval of the Audit Committee and it shall be duty of the Finance Department to communicate all related party transactions in advance to the Company Secretary to enable to

take requisite approvals.

The Company strongly prefers to receive such notice of any potential Related Party Transactions well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.

1.2 Prohibitions related to Related Party Transactions

All Related Party Transactions shall require prior approval of Audit Committee. The approval of the Audit Committee can be granted by way of a circular resolution. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company subject to the following conditions:

- a. The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the Related Party Transactions of the company and such approval shall be applicable in respect of transactions which are repetitive in nature.
- 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 specify
 - (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;

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.

- d. 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.
- e. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- f. The Board shall approve such Related Party Transactions as are required to be approved under Companies Act, 2013 and /or SEBI (LODR) Regulations and /or transactions referred to it by the Audit Committee.
- g. All Material Related Party Transactions shall require approval of shareholders of the Company through resolution and the Related Parties shall abstain from voting on such resolution(s).
- h. All Related Party Transactions (other than Material Related Party Transactions) pursuant to section 188 of the Companies Act, 2013 which are not in the ordinary course of business or not an Arms' length transaction and cross the threshold limits prescribed under Companies Act, 2013 shall also require the approval of shareholders of the Company through resolution and the Related Parties shall abstain from voting on such resolution(s).

- i. The approval mechanism for Related Party Transactions shall be as stipulated in the SEBI (LODR) Regulations and/or Companies Act, 2013 and as amended from time to time.

1.3 Review and Approval of Related Party Transactions

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.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the terms of the Contract, and any other relevant matters.

In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and the terms would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- Whether the Related Party Transaction would affect the independence of an independent director;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Managing Director/ Wholetime Director or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee:

- i. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.

- ii. 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.
- iii. Any transaction that involves reimbursement of expenses between the related parties through debit note/credit note at actuals without any markup except for taxes that may be levied as per statutory requirements.
- iv. Transactions entered into between a holding company and its wholly owned subsidiary company whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

2. Related Party Transactions not approved under this Policy

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate or inform or recommend to the Board of Directors as per the requirement of applicable laws and Regulations.

In any case, where the Audit Committee/Board of Directors determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee/Board, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

Amendments:

The Audit Committee and Board of Directors may amend this policy if required but shall review this Policy atleast once in three years.