

VENKY'S (INDIA) LIMITED

RELATED PARTY TRANSACTIONS POLICY

1. SCOPE AND APPLICABILITY

This policy is called "Venky's (India) Limited-RELATED PARTY TRANSACTIONS POLICY" being a policy dealing with related party transactions ("RPT Policy").

Venky's (India) Limited ("the Company") enters into transactions with Related Parties to carry on its day to day business. This RPT Policy shall apply while dealing with such Related Parties.

2. BACKGROUND & OBJECTIVE

Clause 49 of the Listing Agreement with the Stock Exchanges provides, among other things, that the company shall formulate a policy on materiality of related party transactions and also on dealing with Related Party Transactions.

A transaction with a related party shall be considered material 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.

This policy intends to comply with the requirements of Clause 49 of the Listing Agreement to ensure proper approval and reporting of dealings with Related Parties.

3. DEFINITIONS

The terms used herein shall have the same meaning as given to them in Companies Act, 2013 and Clause 49 of the Listing Agreement, unless the context requires otherwise.

4. POLICIES AND PROCEDURES

All transactions with Related Parties shall be in the ordinary course of business and at arm's length and shall be subject to the approval of the Audit Committee and the Board (wherever necessary) as per the procedures set forth below. If any transaction with Related Party(s) does not meet the dual criteria of being in the ordinary course of business and at arm's length, then:

- a. All such transactions will require prior approval of the Board along with the Audit Committee; and
- b. Will require prior approval of the shareholders of the Company by special resolution if they exceed the threshold limits mentioned u/s 188 of the Act read with Rules.

Further, any Material Transaction proposed to be entered into with a related party shall also be approved by the Board of Directors of the Company after they have been approved by the Audit Committee.

In compliance with Listing Agreement, approval of the shareholders through special resolution shall be taken for all such Material Transactions with Related Party(s) and such Related Party(s), irrespective of whether the entity is a party to a particular transaction or not, shall abstain from voting on such resolutions. Approval of the shareholders shall not be required for any transactions to be entered into by the Company with its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

4.1 Identification of Related Parties and Related Party Transactions

Before the start of each financial year, the Company shall draw up a list of 'related parties' in accordance with the definition given in Clause 49 of the Listing Agreement and section 2(76) of the Companies Act, 2013. The list shall be updated during the year in case of any changes do occur thereto.

4.2 Approval of Related Party Transactions

As mentioned above, in accordance with Clause 49 of the Listing Agreement all the Transactions proposed to be entered into with Related Parties will require prior approval from the Audit Committee. In the case of the transactions which are repetitive in nature, a list of all proposed Transactions with the Related Party, shall be placed before the meeting of the Audit Committee before the beginning of each financial year; Provided that where the need for Related Party Transaction cannot be foreseen and the required details are not available, the Audit Committee may grant omnibus approval for such Transactions.

In respect of Transactions which are repetitive in nature, the Audit Committee may, after satisfying itself as to the need for granting such approval, provide an omnibus approval for each transaction with Related Party within which the transactions with the Related Parties should be executed during the year. Such 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.

5. THINGS NOT MENTIONED

Matters not mentioned or included herein but are required to be performed under the Companies Act, 2013 and Clause 49 shall be deemed to be mentioned or included herein by reference.
