

## **RELATED PARTY TRANSACTION POLICY**

### **1. PREAMBLE**

The Board of Directors (the “Board”) of Sancia Global Infraprojects Limited (the “Company”), has adopted the following policy and procedures with regard to Related Party Transactions as defined below. The Audit Committee will review and may amend this policy from time to time. This policy will be applicable to the Company. This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable on the Company.

### **2. PURPOSE**

This policy is framed as per requirement of Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges and intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

### **3. DEFINITIONS**

**“Arm’s length transaction (‘ALP’)”** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

**“Audit Committee or Committee”** means Committee of Board of Directors of the Company constituted under provisions of Listing agreement and Companies Act, 2013.

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

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

- (i) Managing Director, or Chief Executive Officer or manager and in their absence, a wholetime director;
- (ii) Company Secretary; and
- (iii) Chief Financial Officer.

**“Material Related Party Transaction”** means a transaction with a 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.

**“Related Party”** a means related party as defined under the Companies Act, 2013 read with Clause 49 of the Listing Agreement and as amended from time to time.

**“Related Party Transaction”** means any transaction directly or indirectly involving any Related Party which is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.

**“Ordinary Course of Business”** for the purpose of this policy will cover the businesses of the Company its ‘Group’, usual transactions, customs and practices of a business including incidental and / or facilitative activities of the business of Company and its ‘Group’. The following factors have been considered for determination of whether the transactions are in ordinary course of business:

- a. The objects of the Company permit the activities undertaken
- b. There is a historical practice to conduct such activities
- c. A pattern of frequency to conduct such activities over a period of time, and
- d. The transactions are common in industrial practice.

#### **4. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION**

##### **Approval of the Audit Committee**

All proposed Related Party Transactions must be reported to the Audit Committee for prior approval by the Committee in accordance with this Policy. In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre – approval / omnibus approval in line with this policy and in the interest of the Company. The approval is valid for a period of one year.

##### **Approval of Board of Directors of the Company**

As per the provisions of Section 188 of the Act, All kinds of transactions specified under the said section and which are not in the ordinary course of business or at arm’s length basis, are placed before the Board for its approval.

##### **Approval of the Shareholders of the Company**

If a related party transaction is (i) a material transaction as per clause 49, or (ii) not in the ordinary course of business, or not at arm’s length price and exceeds certain thresholds prescribed under the Companies Act, 2013, it shall require shareholders’ approval by a special resolution. In such a case, any member of the Company who is a related party shall not vote on resolution passed for approving such related party transaction.

#### **5. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

In the event of the Company becomes aware of a transaction with a related party that has not been approved in accordance with 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 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 Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this policy and failure of the internal control systems, and shall take any such actions it deems appropriate.

In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the related party etc. In connection with any review / approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this policy.

## **6. LIMITATION AND AMENDMENT**

In the event of any conflict between the provisions of this Policy and of the Act or Listing Agreement or any other statutory enactments, rules, the provisions of such Act or Listing Agreement or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Agreement, Act and/or applicable laws in this regard shall automatically apply to this Policy.

## **7. DISCLOSURE OF THE POLICY**

This Policy will be uploaded in the website of the Company.

The Company will also disclose the details of all material Related Party Transactions on a quarterly basis along with the compliance report on corporate governance filed with the stock exchanges under clause 49 of the Listing agreement.

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