

JCK INFRASTRUCTURE DEVELOPMENT LIMITED

POLICY ON TRANSACTIONS WITH RELATED PARTY

1. PREFACE

This policy on related party transactions (“Related Party Transactions Policy” or “RPT Policy”) has been formulated, on the recommendation of the Audit Committee, in pursuance of Companies Act, 2013 and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 (“Listing Regulations”) and approved by the Board of Directors.

The RPT Policy is to ensure the proper approval, regulation and reporting of transactions between the Company and its related parties.

2. DEFINITIONS

- i. **Audit Committee** – means Committee of Board of Directors of the Company.
- ii. **Board** – means Board of Directors of the Company.
- iii. **Company** – Means JCK Infrastructure Development Limited
- iv. **Related Party** – means an entity which :
 - a) Is a related party under Section 2(76) of the Companies Act,2013; or
 - b) Is a related party under the applicable Accounting Standards.

“**Related Party Transactions**” means transfer of resources, services or obligations between a company and a related party, regardless of whether a price is a charged, which shall be constructed to include a single transaction or a group of transactions in a contract.

“**Material Related Party Transactions**” 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 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

3. TRANSACTIONS COVERED UNDER THE POLICY

The following transactions entered with a Related Party are considered as Related Party Transactions:

- a) Sale, Purchase or Supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services;
- e) Appointment of any agent for purchase or sale of goods, materials, services or property;

- f) Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company; and
- g) Underwriting the subscription of any securities or derivatives thereof, of the Company;
- h) Means a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be constructed to include a single transaction or a group of transactions in a contract.

4. IDENTIFICATION AND APPROVAL PROCESS

4.1 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 transactions 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 the duty of the Finance Department to communicate all related party transactions in advance through mail or in writing to the Company Secretary to enable to take requisite approvals.

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

4.2 Approval of Audit Committee

All Related Party Transactions shall require prior approval of the Audit Committee. 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, in line with this RPT Policy, grant the omnibus approval on Related Party Transactions of the Company in respect of transactions which are of 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) 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, (iii) such other conditions as the Audit Committee may deem fit;

Provided that where the need for Related Party Transaction can be foreseen and aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding INR 10 million per transaction.

- d) Audit Committee shall review, at least on a quarterly basis, the details of RPTs 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) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

4.3 Approval of Board of Directors

All Related Party Transactions, which are not in ordinary course of business/not at arm's length, shall require prior approval of the Board of Directors. Where any director of the Company is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

4.4 Approval of the Shareholders

Related Party Transactions not in ordinary course of business and not arm's length, shall require prior approval of the shareholders through an Ordinary resolution if they exceed the threshold limits prescribed under Section 188 of the Companies Act, 2013 read with Rules made thereunder. The Related parties shall abstain from voting on such resolutions.

All Material Related Party Transactions, irrespective of whether they are in the ordinary course of business and arm's length, shall require approval of the shareholders through an Ordinary Resolution and the related parties shall abstain from voting on such resolutions. All entities falling under the definition of Related Parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

The requirement of approval of shareholders is not applicable for the transactions entered into with wholly owned subsidiaries, if any, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting approval.

In case of wholly owned subsidiary, the resolution passed by the Company shall be sufficient for the purpose of entering into the transactions between wholly owned subsidiary and the Company.

4.5 Related party Transactions not approved under the 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 shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under the Policy, and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has already commenced without prior approval of the Audit Committee, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related party Transaction, the Committee has authority to modify or waive any procedural requirement of this Policy.

5. REPORTING OF RELATED PARTY TRANSACTIONS

The transactions entered into with a related party pursuant to omnibus approval shall be reported to the Audit Committee on quarterly basis.

Particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013, including arm's length transactions shall be disclosed on an annual basis as part of Annual Report.

6. AMENDMENTS TO THE POLICY

The Board of Directors, on its own and/ or as per the recommendations of the Audit Committee may amend this Policy as and when deemed fit. Any or all provisions of this Policy would be subject to revision/amendment in accordance with the Rules, Regulations, and Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc.. issued by the relevant authorities which make the provisions laid down under this Policy inconsistent with such amendment(s), clarification(s), circular(s) etc. then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

7. GOVERNING LAW

This Policy shall be governed by the Companies Act, 2013 read with Rules made thereunder, as may be in force for the time being as well as Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") or such other Rules/ Regulations, as may be notified by SEBI from time to time.