

## GLOBAL INFRA TECH & FINANCE LIMITED

### POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS

#### PREFACE

Global Infratech & Finance Limited (“Company”) is governed, amongst others, by the rules and regulations framed by Securities Exchange Board of India (“SEBI”). SEBI has mandated every listed company to formulate a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Board of Directors of the Company has adopted the following Policy (the “Policy”) to determine Materiality of Related Party Transaction and also dealing with Related Party Transactions.

#### DEFINITIONS

- a) “**Act**” shall mean the Companies Act, 2013 and includes any amendment thereof.
- b) “**Related Party**”: an entity shall be considered as related to the Company if:
  - i) such entity is a related party under Section 2(76) of the Companies Act, 2013; or
  - ii) such entity is a related party under the applicable Accounting Standards.
- c) “**Arm’s Length Transaction**” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- d) “**Related Party Transaction/s**” (RPT) is / are defined under Clause 49 of the Equity Listing Agreement and Section 188 of the Companies Act, 2013.

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such term in the Act and the Rules thereunder and the Listing Agreement, as amended from time to time.

#### REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION

- A. All Related Party Transactions or any subsequent modifications of such 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 not exceeding one year subject to the following conditions:
  - The Audit Committee shall lay down the criteria for granting the omnibus approval in line with this Policy and such approval shall be applicable in respect of transactions which are repetitive in nature.
  - The Audit Committee shall satisfy itself with the need for such omnibus approval keeping in view the interest of the Company;

- The Audit Committee shall specify in the omnibus approval
  - (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.

Note:

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

- The 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.
- B.** All Related Party Transactions which are in Ordinary Course of Business and approved by the Audit Committee shall be placed before the Board to take note of the same.
- C.** All Related Party Transactions which are either not (a) in the ordinary course of business or (b) on arm length's basis shall require prior approval of the Board.
- D.** All Material Related Party Transactions which are exceeding the limit prescribed in the Act/Listing Agreement shall not be entered into except with the prior approval of the Board and the Shareholders of the Company.
- E.** All Related Party Transactions or Material Related Party Transactions entered into by the Company without consent of the Board or Shareholders by a Special Resolution in General Meeting shall be ratified within a period of three months from the date of such transactions.

## **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.