BEARDSELL LIMITED

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CHENNAI - 600 006. (INDIA)
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CIN No. : L65991TN1936PLC001428
E-mail : ho@beardsell.co.in
Website : www.beardsell.co.in

SEC : NOV : 2014

27th November, 2014

The Secretary,
Madras Stock Exchange Ltd.,
11, Second Line Beach
Chennai - 600 001.

Dear Sir,

Sub : Constitution of Corporate Social Responsibility Committee – Reg.

We would like to inform you that in the Board of Directors Meeting held on 12th November, 2014 the Board have constituted Corporate Social Responsibility Committee as per the details given below.

Pursuant to Sections 135 of Companies Act, 2013, the Board has constituted Corporate Social Responsibility Committee comprising of the following Directors:

Mr.M.Uttam Reddi	-	Director
Mr.V.Thirumal Rao	-	Director
Mr.R.Gowri Shanker	-	Director
Mr.V.J.Singh	-	Director
Mr .S.V.Narsimha Rao	-	Executive Director

We also would like to inform you that as per the Listing guidelines, Mr.R.Gowri Shanker, Independent Director remains Chairman for Both Board and Audit Committee Meeting.

We are also enclosing the following (the same was also posted in our Website : **www.beardsell.co.in)**

1. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES
2. POLICY FOR CONSIDERATION AND APPROVAL OF RELATED PARTY TRANSACTIONS

Thanking you

Yours faithfully
For BEARDSELL LIMITED,

K.Murali
Company Secretary

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BEARDSELL LIMITED

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

1. OBJECTIVE

Beardsell Limited (BL) is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its directors and employees who have concerns about suspected violations of 'Code of Conduct' of the Company, unethical behaviour, actual or suspected fraud, to come forward and express these concerns without fear of punishment or unfair treatment. This mechanism aims to provide an avenue for directors and employees to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

2. APPLICABILITY

This mechanism applies to all the employees and directors of the Company and applies to the whole of India.

3. MECHANISM

The Vigil mechanism is formulated in line with the requirement of Clause 49 (Corporate Governance) of Listing Agreement with Stock Exchanges, amended vide Circular no. CIR/CFD/POLICY CELL/2/2014 dated 17th April 2014 issued by Securities and Exchange Board of India (SEBI) read with requirements under Section 177(9) of the Companies Act, 2013, inter alia to provide opportunity to employees / directors to access in good faith, the Vigil Officer (in appropriate cases, the Audit Committee directly) in case, they observe unethical or improper practices (not necessarily a violation of law) and to secure those concerned from unfair termination and unfair prejudicial employment practices. It was recommended by Audit Committee and was approved by Board of Directors of the Company on 12th November 2014.

4. DEFINITIONS

4.1 "Annual Report" includes Balance Sheet, Statement of Profit and Loss, Cash Flow Statement , Directors Report, Corporate Governance Report, Auditors" Report and any other document annexed or attached or forming part of the Report to the members of the Company.

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4.2 "Audit Committee" is the committee which is constituted pursuant to Section 292A of the Companies Act, 1956 corresponding to Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with Stock Exchanges.

4.3 "Company" means, "BEARDSELL LIMITED ."

4.4 "Complainant" is someone who makes a Protected Disclosure under this mechanism

4.5 'Director' means a member of the Board of Directors of the Company.

4.6 "Disciplinary Action" means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit, considering the gravity of the matter.

4.7 "Employee" means every employee on permanent rolls of the Company at its various business locations .

4.8 **"Good Faith"** - An employee or a director is said to communicate in good faith if there is a reasonable basis for the communication in writing of the existence of waste or of a violation or has observed unethical or improper practices.

"Good Faith" is lacking when the employee or a director does not have personal knowledge of a factual basis for the communication or where the employee or the director knew or reasonably should have known that the communication about the unethical or improper practices is malicious, false or frivolous.

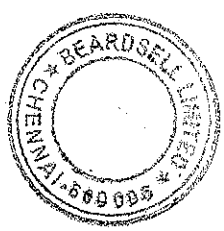
4.9 **"Internal Circular"** is a communication made on behalf of the Company by an authorized person which is addressed to the employees or to the directors of the Company through any mode including but not restricted to e-mail, fax, phone, notice board, inter office memo, etc.

4.10 **Mechanism** or This mechanism means, "Vigil mechanism."

4.11 **"Protected Disclosure"** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may indicate evidence of unethical behaviour, actual or suspected fraud or violation and improper activity. Protected Disclosures should be factual and not speculative in nature.

4.12 **"Right of Access or Right of Approach"** - The right to an employee or to a director to give a written communication to the Vigil Officer or to the Audit Committee, as the case may be, for the alleged misconduct or unethical or improper practice which an employee or a director has observed or have found.

4.13 **"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 under this mechanism.



4.14 **"Unfair Termination and Unfair Prejudicial Employment Practices"** means to threaten, or otherwise discriminate or retaliate against an employee in any manner that effects the employee"s employment, including :
compensation, rights, immunities, promotions or privileges.

4.15 **"Vigil Officer"** means an officer who is appointed, authorized or designated by the Audit Committee for the purpose of processing and investigating (to the extent of this policy) into the protected disclosures and may include Auditors of the Company.

5. SCOPE

The following stakeholders of the Company are eligible to make Protected Disclosures under the mechanism.

Employees of the Company
Directors on the Board of Directors of the Company.

A person belonging to any of the above mentioned categories can avail of the channel provided by this mechanism for raising an issue covered under this mechanism.

The mechanism covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud or suspected fraud or deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
6. Any unlawful act whether Criminal/ Civil
7. Pilferation of confidential/propriety information
8. Deliberate violation of law
9. Wastage/misappropriation of company funds, property or manpower
10. A deliberate violation of any accounting principles, policies and regulations, reporting of fraudulent financial information to the shareholders, the government or the financial markets or any conduct that results in violation of law, legal duties, code of conduct designed to protect the interest of employees / directors of the Company. However, this should not be merely technical or minimal in nature.

11. Breach of Company policy or failure to implement or comply with any approved Company policy.

EXCEPTIONS :

a) Any complaint or submission made under the Sexual Harassment of Women atWorkplace (Prevention, Prohibition and Redressal) Act, 2013 read with SexualHarassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 will be out of the scope of this policy.
b) Any matter related to inter personal issues with colleagues, grievances against the Company with regard to service conditions, organizational policies, terms and conditions of employment, etc. would be reported through existing organizational channelsand would not be covered under this mechanism.
c) Reporting information which he / she does not have an authorization to access.

6. GUIDING PRINCIPLES

To ensure that this mechanism is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

1. Ensure that the Complainant and/or the person processing the Protected Disclosure is not victimized for doing so
2. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s)
3. Ensure complete confidentiality
4. Not attempt to conceal evidence of the Protected Disclosure
5. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made
6. Provide an opportunity of being heard to the persons involved especially to the Subject.

7. GUIDELINES :

7.1 Internal Policy

The Policy of Vigil Mechanism is an internal policy to make protected disclosures in good faith and to raise concerns to be appropriately dealt by the Vigil Officer or the Audit committee as the case may be.

7.2 Prohibition

The Vigil Mechanism prohibits Company from taking any action which may lead to unfair termination or unfair prejudicial employment practices (i.e. threaten, demote, relocate, etc.) against its employees / directors for making Protected Disclosure in Good Faith.

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However, this policy does not protect an employee from an adverse action which occurs before a violation or waste report is communicated or from misconduct, poor job performance or subjection to a reduction in workplace unrelated to a communication made pursuant to the Vigil Mechanism.

7.3 **Reporting Authority**

Protected Disclosures concerning the employees at all levels should be addressed to Vigil Officer.

7.4 **Anonymous Allegation**

Complainants must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily NOT be investigated.

7.5 **Rights & Duties Of Complainants**

a) Bring to early attention of the Company any improper practice, covered in the scope of this policy, they become aware of. Delay in reporting may lead to loss of evidence and also financial loss for the Company.

b) The reporting should be in writing along with all necessary evidences.

c) Avoid anonymity when raising a concern.

d) The complainant, if employee, shall be free to submit the Protected disclosure to his or her supervisor, if deemed fit or otherwise can directly approach to the Vigil Officer without informing to the supervisor. However, directors may directly approach to Audit Committee for reporting any violation or other genuine concerns or grievances.

e) The protected disclosure can be e-mailed or posted to the Vigil Officer or Chairperson of Audit Committee at the below mentioned address :

I.	Mr.K.Murali	:	Vigil Officer Vigil Mechanism M/s Beardsell Limited No.47 Greams Road, Chennai – 600006
II.	The Chair Person		Audit Committee Beardsell Limited, No.47, Greams Road, Chennai 600006

f) In exceptional circumstances, the employee may submit the protected disclosure directly to the Chairperson of the Audit Committee at the above stated address or any address which may be notified from time to time.

g) The complaints may also be lodged through e -mail at km@beardsell.co.in (the designated mail -id) which will be protected by password and can only be accessible by the Vigil Officer or Audit Committee or any person authorized by the Audit Committee .

h) Intent of the mechanism is to bring genuine and serious issues to the fore and it is not intended for petty disclosures. Malicious allegations by employees may attract disciplinary action

i) A Complainant has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation.

j) Protection under this Mechanism would not mean protection from disciplinary action arising out of false or bogus allegations made by a complainant knowing it to be fake or bogus or with a malafide intention.

k) In case, a complainant makes repeated protected disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, the Audit Committee may take suitable action against such Complainant.

l) Maintain confidentiality of the subject matter of the disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the Subject and important evidence is likely to be destroyed

7.6 **Rights of A Subject**

a) Subjects have right to be heard and the Vigil Officer or the Committee must give adequate time and opportunity for the subject to communicate his/her say on the matter

b) Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process

7.7. **Rights and Duties of Vigil Officer**

a) Receive, oversee any protected disclosure made or reported under this Mechanism.

b) To notify employee / director of their protections and obligations under this Vigil Mechanism.

c) To Conduct the enquiry in strict confidentiality and in a fair, unbiased manner to ensure complete fact finding

d) To appoint any external agency in order to conduct proper inquiry.

e) Forward the Vigil report to the Chairperson of the Audit Committee / Audit Committee upon review and report the outcome of the inquiry and to recommend appropriate action, if any.To ensure appropriate action.

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7.8 **Rights and Duties of Audit Committee**

a) **Maintenance of Register of Complaints**
Committee shall maintain a register for registration of complaints received under this policy. Each complaint shall bear a unique number. The Audit Committee may ask significant evidence while registering the complaints.

b) **Determination of Nature of Complaints**
Audit Committee shall determine the nature of Complaints keeping in view the requirements of various applicable laws.
The complaints may be determined in two broad categories :-

i) Reporting on unethical or improper practices
ii) Any wrongful action taken by the management against the employee who has approached Audit Committee as above.

The Audit Committee shall appropriately and expeditiously investigate all the complaints received under this policy, investigating the merits of the protected disclosure and determining the necessary course of action.

Further, the Chairperson and/or the Committee, as the case may be, shall have the authority to call for any information or documents and may examine any employee / director, etc for determining the correctness of the complaints.

c) Essential Factors
While determining the protected disclosure, the following factors may be considered

i) Accuracy of the information furnished;
ii) Nature and quality of evidence;
iii) Existence of relevant laws and rules;
iv) Whether the action appears to be isolated or systematic;
v) History of previous assertions regarding the subject matter;
vi) What are the avenues available for addressing the matter;
vii) Seriousness or significance of the protected disclosure and
viii)Cost and benefit of potential investigation.

d) Objectivity and Independence

The Audit Committee should be objective and independent of influence in conducting interviews and reviewing relevant documents associated with protected disclosures under this policy.

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e) **Maintenance of Confidentiality**

The Committee shall maintain confidentiality of the complainant and the witnesses who provide information.

f) Referral to Committee or Officials

Make referrals to appropriate committee or officials on discovery of reasonable cause to believe that Company's policy, regulation etc. have been violated and follow up until appropriate corrective action has been taken.

g) Time Frame for Redressal of Complaints

The Vigil Officer and / or the Audit Committee, as the case may be, would complete all the formalities and would resolve the matter generally within 45 days from the date of filing of the complaints and make a detailed written record of the Protected Disclosure. Any extension in respect thereof would be in writing alongwith necessary justification.

h) Reporting to Board of Directors of the Company
The Vigil Officer shall submit its report to the Audit Committee and the Audit Committee shall submit its report including the report of the Vigil Officer before the meeting of Board of Directors of the Company.

i) Safeguards to Complainant

The Committee shall provide adequate safeguards against victimization of person who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate and exceptional circumstances.

7.9 **Actions Prohibited by the Vigil Mechanism**

The Company shall not

a) Threaten, discriminate or retaliate against an employee (or director as the case may be) in any manner that affects the employee's employment (i.e. compensation, rights, immunities, promotions or privileges) when an employee engages in an activity protected by the Mechanism.

This does not preclude a supervisor from taking appropriate action against an employee for misconduct, poor job performance, or a reduction in the workforce etc. within the policy of the Company.

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b) Adverse action against an employee / director who participates or gives information in an investigation, or hearing or in any form or inquiry initiated by the Vigil Officer or the Audit Committee.

7.10 **Disqualifications**

The following instances would constitute a violation of this Mechanism:

a) Bringing to light personal matters regarding another person which are in no way connected with the Organisation.
b) Reporting information which he / she does not have an authorisaion to access.
c) Protection under this Mechanism would not mean protection from disciplinary action arising out of false or bogus allegations made by a complainant knowing it to be false or bogus or with a malafide intention.
d) In case, a complainant makes repeated Protected Disclosures which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, the Audit Committee may take suitable action against such complainant including reprimand.

7.11 **Rights Against Adverse Action**

a) An employee who alleges adverse action under the Mechanism may approach the Audit Committee or Board of Directors within 30 days, for appropriate relief, if any adverse action is taken against a complainant in violation of this Mechanism.
b) The complainant has the burden of proof in establishing that he / she has suffered an adverse action for an activity protected under this Mechanism.
c) The management of the Company shall have an affirmative defense, if it can establish by a preponderance of the evidence that the adverse action taken against the employee was due to employee misconduct, poor job performance or a reduction of workforce etc. unrelated to a communication made pursuant to Vigil Mechanism.
d) A director, who alleges adverse action (complainant) under the Vigil Mechanism, may approach the Audit Committee or Board of Directors preferably within 30 days, for appropriate relief at the earliest, if any adverse action has been taken against the director in violation of this Mechanism.

7.12 **Remedies**

The Vigil Officer or the Audit Committee rendering judgment under this Mechanism may order any or all of the following remedies

a) Order an injunction to restrain continued violation of the provisions of the Vigil Mechanism.
b) Reinstate the employee to the same position or to an equivalent position. c) Reinstate full fringe benefits and retirement service benefits. d) Order compensation for lost wages, benefits and any other remuneration.

7.13 **Notification**

All employees shall be notified of the existence and contents of this policy through the departments head.

The Audit Committee and the Board of Directors once adopting this policy shall make themselves aware of the contents and respective obligations and duties which it encompasses for a complainant director.

7.14 **Disclosure**

The Vigil Mechanism as adopted by the Board and amended from time to time shall be available at the web site of the Company. The details of establishment of this Mechanism shall be disclosed by the Company in the Board"s Report.

7.15 **Annual Affirmation on the Compliance**

The Company shall annually affirm that it has not denied any personnel, access to the Vigil Officer or the Audit Committee of the Company, as the case may be and that it has provided adequate safeguard to Complainants from unfair termination and other unfair prejudicial employment practices.

7.16 **Access to Reports and Documents**

All reports and records associated with Disclosures are considered confidential information and access will be restricted to the Complainant, the Vigil Officer, the Audit Committee and Board of Directors. Disclosures and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate mechanism inplace at that time.

7.17 **Retention of Documents**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 7 years.

7.18 **Amendment Modification etc.**

The Board of Director shall alter amend or modify the clauses of the above Vigil Mechanism from time to time in line with the requirements of the SEBI Guidelines or the Companies Act 2013 or any other rules, regulations etc. which may be applicable from time to time.

The Above Policy was approved and taken on record in the Audit Committee Meeting and Board Meeting held on 12th November, 2014

BEARDSELL LIMITED * CHENNAI-600006 *

BEARDSELL LIMITED

Policy for Consideration and Approval of Related Party Transactions

(Effective from October 01, 2014)

POLICY FOR CONSIDERATION AND APPROVAL OF RELATED PARTY TRANSACTIONS

INTRODUCTION

Beardsell Limited (hereinafter referred to as "BSL" or "The Company") recognizes that Related Party Transactions (as defined below) may have potential or actual conflicts of interest and may raise questions whether such transactions are consistent with the Company and its shareholders' best interests and in compliance to the provisions of the Companies Act, 2013 and clause 49 (Revised as on 15.09.2014) of the Listing Agreement.

ABOUT THE COMPANY

Beardsell Limited was incorporated in the year 1936. It promoted a Textile manufacturing unit by name "Mettur Industries Limited" and got amalgamated with it in 1967 and became "Mettur Beardsell Limited:.Mettur Beardsell Limited with its diversified activities in Exports, Textiles, Insulation and Contracting, Packaging, Textiles Technical Consultancy Services and Marketing agencies divested its textile/thread operations in 1982. Mettur Beardsell Limited became "Beardsell Limited" in 1983. The Company was then managed by Tootals Ltd, U K. In the year 1985, Nava Bharat Ferro Alloys Ltd (NBFAL) acquired the shares from Tootals and took over the management of the Company. Late Shri P Punnaiah was the Founder Chairman cum Managing Director of the Company. In 2009, Nava Bharat Ventures Ltd. divested their holdings in Beardsell Limited and the entire stake was controlled by Late Shri P Punnaiah and his family. Presently the Company is managed by Mr Bharat Anumolu, Managing Director ably supported by the Board members viz., Mr S V Narasimha Rao, Executive Director, Mr Amrith Anumolu, Executive Director, Mr V Thirumal Rao, Mr R Gowri Shanker, Mr M Uttam Reddi and Mr V J Singh Directors.

PRODUCTS AND SERVICES :

EXPANDED POLYSTYRENE (EPS)

Pioneers in the Manufacture&Marketing of Expanded Polystyrene (popularly known as "THERMOCOLE"), since 1964. Beardsell's EPS products are branded as :

THERMOFROST	:	Sheets, Pipe Sections and Designed Tiles.
METOPLAST	:	Custom built Moulded Industrial Packaging, Fully equipped with in-house Designing and Development facility including manufacture of moulds to suit Customer specific requirement.

IGLOO : Ice Boxes and Fish Boxes.

INSULATION CONTRACTS : On-site execution of Contracts in : Thermal – Hot and cryogenic insulation, Acoustic Treatment and Noise reduction system, Building Insulation – Under Deck, Over Roof and Weather Proofing, Manufacturing Rigid Poly Urethane Foam insulation products like slabs, Pipe Section and undertake In-situ foaming.

ISO BUILD : Prefabricated building with structural insulated sandwich panels, manufactured as per Technical know-how of Isowall Holding Limited, U.K. It has varied applications in : Cold Storages & Blast Freezers, Clean Rooms and Pharma industries, Drying Chambers, Ware Housing and Partitions since 1996.

QUIK BUILD CONSTRUCTION SYSTEM:

The product branded as STEILWALLZ was introduced in the year 2012. STEILWALLZ is a pre-engineered panel consisting of a super insulated **Polystyrene** core sandwiched between two layers of engineered galvanized steel mesh that are held together with steel trusses. Produced in a quality controlled factory setting, STEILWALLZ is light in weight yet can bear heavy loads and has been proven to be superior to conventional brick and cement walls, masonary block walls, pre-cast concrete panels and load bearing prefabricated slabs. It saves on cement – 20% less cement needed, saves labour – 50% less time for erection, no rework need on utility fittings and saves on logistics as it is lightweight and easy to transport. It forms a steel reinforced concrete shell- Monolithic structure resistant to high winds and earthquakes. The core material is fireproof as it has passed 120 minute fire test. The thermal insulation provided unmatched comfortable environment, saves on power bills. It is soundproof and Waterproof. The interiors are protected from dampness and fungi, etc.

TRADING : Beardsell is Channel Partners for SIEMENS Electric Motors.

EXPORTS :

INTERNATIONAL TRADING:

We are participating in Global Tenders and export medical consumables to African countries. There seems to be very good prospect for this business.

Scope and purpose of the policy

The Board of Directors of the Company has adopted the following policy and procedures with regard to Related Party Transactions. The Audit Committee will review and may amend the policy as and when required subject to approval of the Board. The objective of this policy is to regulate transactions between the Company and its Related Parties as determined based on the Companies Act, 2013, Listing Agreement and any other laws and regulations as may be applicable to the Company.

Definitions :

Act:

"Act" means the Companies Act, 2013 including any amendment or modification thereof.

Arm's Length Transaction

"Arm's Length Transaction" means a transaction between two related parties that is conducted as if they were unrelated.

Associate:

"Associate" means a company as defined under section 2(6) of the Companies Act, 2013 and as defined by Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements".

Audit Committee:

"Audit Committee" means the Committee of the Board formed under section 177 of the Act and Clause 49(III) of the Listing Agreement.

Body Corporate:

"Body Corporate" means an entity as defined in Section 2(11) of the Companies Act, 2013.

Clause 49

"Clause 49" means the Clause 49 of the Listing Agreement, as entered into by the Company with the stock exchanges including any amendment or modification thereof.

Company:

"Company" means Beardsell Limited

Director

"Director" means a person as defined in Section 2(34) of the Companies Act, 2013.

Employees:

"Employees" shall mean the employees and office-bearers of the Company, including but not limited to Whole Time Directors.

Key Managerial Personnel:

"Key Managerial Personnel" shall mean the officers of the Company as defined in Section 2(51) of the Companies Act, 2013 and rules prescribed thereunder.

Material Related party Transactions:

"Material Related Party Transactions" shall mean a transaction as defined as material in Clause 49(VII)(C) of the Listing Agreement or any other law or regulation including any amendment or modification thereof, as may be applicable.

Ordinary course of business:

"Ordinary course of business" means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association.

Relative:

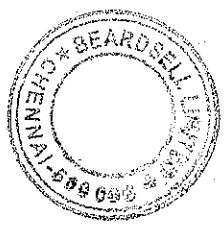
"Relative" with reference to a Director or KMP means persons as defined in Section 2(77) of the Act and rules prescribed thereunder.

Related party:

"Related Party" means an individual, entity, firm, body corporate or person as defined in Section 2(76) of the Act and Clause 49(VII) (B) of the Listing Agreement.

Related party transactions:

"Related Party Transactions" shall mean such transactions as specified under Section 188 of the Act or rules made thereunder and Clause 49(VII)(A) of the Listing Agreement including any amendment or modification thereof, as may be applicable.



Subsidiary:

"Subsidiary" means a company as defined in Section 2(87) of the Companies Act, 2013.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Securities Contract Regulation Act or any other applicable law or regulation.

Related party transactions under the policy

Any transfer of resources, services or obligations between the company and a related party, would get covered as a 'Related Party Transaction', whether or not, there is an element of consideration or price.

Prohibited Related party transactions

Any transaction with a Related Party can be undertaken only if it is in compliance with the law.

Approval Process

The Company will enter into any Related Party Transactions only with the prior approval of the Audit Committee. The Audit Committee may grant omnibus approval for the proposed Related Party Transaction subject to the following conditions:

a) The Audit Committee shall laydown the criteria for granting omnibus approval in line with the policy on 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 to 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 the following:
    - Name(s) of the Related Party;
    - Nature of the transaction; - Period of transaction;
    - Maximum amount of transaction that can be entered into;
    - The indicative base price / current contracted price and the formula for variation in the price, if any, and ;
    - Such other conditions as the Audit Committee may deem fit.
d) In such cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such transactions.
e) 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;
f) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

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The Audit Committee will have the discretion to recommend / refer any matter relating to the Related Party Transaction to the Board for the approval.

In the case of Material Related Party Transaction, the approval of the shareholders by way of special resolution is also required irrespective of the fact whether the transaction, contract or arrangement is in the ordinary course of business or at arm length or both and the Related Party shall abstain from voting on such resolutions.

In the event transaction, contract or arrangement with the Related Party is either not in the ordinary course of business or is not at arm's length or both, the Company shall comply with the provisions of the Companies Act, 2013 and the Rules framed thereunder and obtain approval of the Board and its shareholders, as applicable.

The following types of transactions require approval from shareholders:

- Transactions not in the ordinary course of business
- Transactions in the ordinary course of business if not done at an arm's length
- Material Transactions as defined under clause 49 (VII) (C) of the listing agreement

Transactions at arm's length

The Company has laid down a framework to assess whether transactions with related parties are done at an arm's length and company adopts generally accepted practices and principles in determining whether the transaction is at "arms' length".

A. Disclosure by Directors/ KMPs

All Directors/ KMPs are required to disclose the entities in which they or their relatives are or deemed to be interested, in the prescribed form.

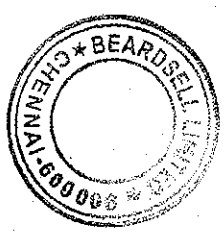
Any material transaction or Relationship that could reasonably be expected to give rise to any conflict of interest

The Company shall maintain Register in the prescribed form.

Details of all material transactions with related parties shall be disclosed, quarterly in the Compliance Report on Corporate Governance, as required under listing agreement.

B. Disclosure of Related Party Transaction entered with the company

Each Director and KMPs of the Company is responsible for providing declaration/ notice in the prescribed Form to the Company Secretary about Related Party Transaction involving the Company and him or her or an entity wherein he/ she or his / her relative is interested, including any additional information about the transaction that the Company Secretary may reasonably request. The Company Secretary in consultation with the management and an independent counsel, as appropriate, will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.



Guiding Principles for approval of a Related Party Transaction by the Board/ Audit Committee thereof

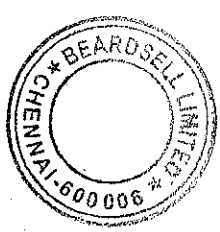
To review a Related Party Transaction, the Board/ Audit Committee will be provided with all the relevant information pertaining to the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and any other matter, as may be required. In determining whether approval needs to be accorded to a Related Party Transaction, the Board/ Audit Committee will consider the following factors:

- Whether the terms of the Related Party Transaction are fair to the Company and 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 impair the independence of an otherwise Independent Director;
- Whether the Related Party Transaction would present an improper conflict of interest for any Director, or KMP of the Company, taking into account the size of the transaction, the overall interest of the Director,, KMP or other Related Party, the direct or indirect nature of the Director, KMP or other Related Party's interest in the transaction and the on going nature of any proposed relationship and any other factors the Board/ Audit Committee deem fit to consider.

In case the Board/ Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Board/ Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction, or modification of the transaction to make it acceptable for ratification. In connection with any review of a Related Party Transaction, the Board/ Audit Committee has authority to modify or waive any procedural requirements of this Policy.

Consequences of non-compliance of such policy for any Related party transaction

Non-compliance of this Policy may lead to initiation of disciplinary proceedings against the employee. Details of such disciplinary proceedings will form part of the personal file of such employee and will be considered as a default on his or her key responsibilities.

The above would be over and above the prescribed penal consequences under Companies Act, Listing Agreement, Securities Contract Regulation Act, 1956 or the employee standing order of the Company.

The Above Policy was approved and taken on record in the Audit Committee Meeting and Board Meeting held on 12th November, 2014