



ANJANI PORTLAND CEMENT LIMITED
RELATED PARTY TRANSACTION POLICY

I. PREAMBLE

The Board of Anjani Portland Cement Limited(hereafter referred to as the “Company” or “APCL” has adopted the following policy with regard to Related Party Transaction.

II. COMMENCEMENT

This policy will be applicable to the Company with effect from 1st October 2014.

III. OBJECTIVE

The changes introduced in the Corporate Governance norms through the Companies Act, 2013 and the revised clause 49 of the listing agreement require to formulate a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

IV. DEFINITIONS

1. **“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.
2. **“Board”** means Board of Directors of the Company.
3. **“Key Managerial Personnel”** mean key managerial personnel as defined under section 2(51) of the Companies Act, 2013
4. **“Material Related Party Transaction”** means a transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions with a Related Party 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.
5. **“Related Party”** in relation to the Company means a party related with the Company in any of the ways as are laid down in section 2(76) of the Companies Act, 2013 and clause 49 of the listing Agreement as amended from time to time.
6. **“Related Party Transaction”** in relation to the Company means a transaction with a Related Party under the relevant provisions of the Companies Act, 2013 or the listing agreement or any other related law, regulation, standard etc.

7. A "transaction" shall be construed to include single transaction or a group of transactions in a contract

Words and expressions used in this Policy, but not defined herein shall have the same meaning as specified under the Companies Act, 2013 and the Rules thereunder.

V. REVIEW AND APPROVAL

Prior approval of Audit Committee is required to be taken for entering into transactions with a Related Party. The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the conditions as prescribed in Clause 49 of the Listing Agreement (as amended from time to time).

The Audit Committee shall, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following conditions:

- 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.

The Audit Committee shall also, grant omnibus approval for Related Party Transactions that cannot be foreseen and for which the aforesaid details are not available up to a value of Rs. 1 crore per transaction.

The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given.

Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year. Prior approval of the Audit Committee/Board of Directors and shareholders (by Special Resolution) is required to be taken before entering into Related Party transactions which are not in the ordinary course of business and not on an arm's length basis and are beyond the limits as specified under Companies Act, 2013 and rules thereto.

Where any director is interested in any contract or arrangement with a related party, such director shall not cast his vote at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

All Material Related Party Transactions shall require approval of the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

VI. DISCLOSURE

All material related party transactions that are entered into with effect from October 1, 2014, to be disclosed quarterly along with the compliance report on corporate governance pursuant to the requirements of clause 49 of the Listing Agreement.

The Company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.

VII. AMENDMENT

Any subsequent amendment/modification to the Listing Agreement/ provisions of the Companies Act 2013 will automatically apply to this policy.