**RAMGOPAL POLYTEX LIMITED**

**RELATED PARTY TRANSACTIONS POLICY**

**PREAMBLE**:

The Board of Directors (the “Board”) of **RAMGOPAL POLYTEX LIMITED** (the “Company”) has adopted this Policy upon the recommendation of the Audit Committee and the said Policy includes the materiality threshold and the manner of dealing with Related Party Transactions (“Policy”) in compliance with the requirements of Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges in India. Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions.

**OBJECTIVE:**

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

**DEFINITION**:

“**Arm’s Length Basis**” 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 the Committee of the Board constituted from time to time under the provisions of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013.

“**Board**” means the Board of Directors as defined under the Companies Act, 2013.

“**Key Managerial Personnel**” means Key Managerial Personnel as defined under the Companies Act,

2013.

“**Materiality**” The Materiality of any Related Party Transaction will be ascertained as per the thresholds prescribed under the Act or the Listing Agreement, whichever is lower.

“**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 between the Company and any Related Party for transfer of resources, services or obligations, regardless of whether a price is charged and includes –

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for the purchase or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the Company or associate Company;
7. Underwriting the subscription of any securities or derivatives thereof, of the Company;

“**Transaction**” with a related party shall be construed to include a single transaction or a group of transactions.

**POLICY**

The Audit Committee shall review and approve all Related Party Transactions based on this Policy. 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 omnibus approval. In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Committee may ratify the transactions in accordance with the Companies Act, 2013. A member of the Committee who (if) has a potential interest in any Related Party Transaction will not remain present at the meeting or abstain from discussion and voting on such Related Party Transaction and shall not be counted in determining the presence of a quorum when such Transaction is considered. The Board, thereafter, shall consider and approve the Related Party Transaction.

**OMNIBUS APPROVAL BY THE AUDIT COMMITTEE**

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant omnibus approval. While granting the approval the Audit Committee shall satisfy itself of the need for the omnibus approval and that same is in the interest of the Company. The omnibus approval shall specify the following:

1. Name of the related party
2. Nature of the transaction
3. Period of the transaction
4. Maximum amount of the transactions that can be entered into
5. Indicative base price / current contracted price and formula for variation in price, if any
6. Such other conditions as the Audit Committee may deem fit.

Further, where the need of the related party transaction cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the value per transaction not exceeding

Rs.1,00,00,000/- (Rupees One Crore only). Further, the Committee shall on quarterly basis review the details of Related Party Transaction entered into by the Company pursuant to each of the omnibus approval given. The omnibus approval shall be valid for a period of one year and fresh approval shall be obtained after the expiry of one year.

**APPROVAL OF SHAREHOLDERS THROUGH SPECIAL RESOLUTION**

Following Related Party transactions will require prior approval of the shareholders through special resolution and the Related Parties shall abstain from voting on such resolution.

* All Material Related Party Transactions
* All Related Party Transactions in excess of the limits prescribed under the Companies Act, 2013, which are not in the Ordinary Course of Business or not at Arms’ Length.

**DISCLOSURE**

The Policy shall be made available on the website of the Company and a web link thereto shall be provided in the Company’s Annual Report.

**INTERPRETATION**

In any circumstance where the provisions of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the company, the relevant law, rule, regulation or standard will take precedence over this policy until such time as this policy is change to conform to the said law, rule, regulation or standard**.**

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