

THE YAMUNA SYNDICATE LIMITED

Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions

1. Preamble:

1.1 Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Listing Regulations”, as amended from time to time, dealing with Related Party Transactions, requires a listed entity to formulate a policy on materiality of Related Party Transactions and on dealing with the Related Party Transactions.

1.2 Section 2(76), Section 188 and other applicable provisions of the Companies Act, 2013 read with the relevant rules of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 2(1)(zb), 2(1)(zc) and Regulation 23 of the Listing Regulations, deals with Related Party Transactions and prescribes its approval process.

1.3 **“Related Party”** with reference to Company, means:

- (i) Director, Key Managerial person and his relatives (relatives means spouse, father, mother, son, son’s wife, daughter, daughter’s husband, brother, sister) ;
- (ii) Subsidiary, holding, Associate and fellow subsidiary;
- (iii) Private Company in which Director or his relative is a member or Director;
- (iv) Public Company, other than those mentioned in (ii) above, where a Director is a Director AND holds more than 2% of the paid up capital either by himself or with his relatives.
- (v) Any person or entity forming a part of the promoter or promoter group of the listed entity; or
- (vi) Any person or any entity, holding 20% or more (10% or more with effect from April 1, 2023) equity shares in the Company at any time, during the immediate preceding financial year:

1.4 **“Related Party Transaction”** shall mean:

Any transaction involving a transfer of resources, services or obligations among Listed Company, Subsidiary Company, holding company and related parties of these companies, regardless whether price is charged and include the transactions between:

- (i) Listed entity and its Subsidiary
- (ii) Listed entity and Related party of Listed Entity
- (iii) Listed Entity and Related party of Subsidiary
- (iv) Subsidiary and Related party of listed entity
- (v) Subsidiary and related party of subsidiary
- (vi) Listed entity or any of its subsidiary on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiary.

2.Approval of Related Party Transactions:

A. Audit Committee approval

All Related Party Transactions will require prior approval, except transactions covered under omnibus approval given by the Audit Committee; The Audit Committee may grant omnibus approval to transactions of repetitive nature, subject to the value not exceeding Rs.1 crore per transaction;

The Related Party Transactions shall be approved by only those members of the audit committee, who are independent directors.

B. Board of Directors approval

All Related Party Transactions will require prior approval of the Board, except;

- (a) Transactions which are in the ordinary course of business, and
- (b) Transactions which are at an arm's length basis.

C.Shareholders' approval

In addition to approvals of Audit Committee and the Board, all Material Related Party Transactions, as explained in Table A below, will need prior approval of the shareholders by way of ordinary resolution,

Table A

Sl. No.	Category of Transaction(s) during a financial year	Materiality Criteria
i.	Sale, purchase or supply of any goods or materials;	Amounting to 10% or more of turnover of the Company
ii.	Selling or otherwise disposing of, or buying property of any kind;	Amounting to 10% or more of net worth of the Company
iii.	Leasing of property of any kind;	Amounting to 10% or more of turnover of the Company
iv.	Availing or rendering of any services;	Amounting to 10% or more of turnover of the Company
v.	Such Related Party's appointment to any office or place of profit in the company, its subsidiary company or associate company	At a monthly remuneration exceeding Rs. 2.5 lakh
vi.	Underwriting the subscription of any securities or derivatives thereof, of the company	Exceeding 1% of net worth of the Company
vii	All transactions (including transactions as specified at serial number i. to vi above) with any related party.	Exceeding 1000 crore or 10% of the annual consolidated turnover of the Company, whichever is lower

3. Approval of Material Modification:

Any subsequent material modification to the transaction will also need prior approval of the Audit Committee.

Material Modification will mean any modification to the existing Related Party Transaction by which such transaction fulfills the criteria laid down in Table A above.

4. Voting by Related Parties:

All related parties shall abstain from voting on resolution, irrespective of whether the Related Party is related to a particular transaction or not, in the Board meeting, Audit Committee meeting and Shareholders meeting.

5. Review and approval of the Policy:

5.1 The Board of the Directors of the Company formulated this Policy on Materiality of Related Party Transactions and on Dealing with the Related Party Transactions including its approval process, in compliance with the applicable regulations/provisions vide circular resolution passed on March 29, 2022.

5.2 This policy shall be reviewed and approved by the Board of Directors at least once in every three years and as and when required by the Companies Act or by the Listing Regulations.
