



POLICY ON RELATED PARTY TRANSACTIONS

1. SCOPE AND PURPOSE OF THE POLICY

The Companies Act, 2013 (“Act”) read with the Rules framed there under and Clause 49 of the Listing Agreement (as amended by SEBI Circulars dated April 17, 2014 and September 15, 2014) requires every Listed Company to formulate a policy on Related Party Transactions. Considering this requirement Techtran Polylenses Limited (“TPL” or “the Company”) has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions and has framed this Policy on Related Party Transactions (“Policy”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board.

2. DEFINITIONS

- 2.1 “**Act**” means Companies Act 2013 and the rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactments thereof.
- 2.2 “**Arm’s length transaction (‘ALP’)**” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- 2.3 “**Audit Committee**” means the Committee of the Board of Directors of the Company.
- 2.4 “**Board of Directors**” or “**Board**” means the Board of Directors of the Company.
- 2.5 “**Company**” or “**TPL**” means Techtran Polylenses Limited.
- 2.6 “**Key Managerial Personnel**” means the Key Managerial Personnel of the Company in terms of the Act.
- 2.7 “**Listing Agreement**” means Equity Listing agreement of the Company with stock exchange.
- 2.8 “**Material Related Party transaction**” means a related party transaction which individually or taken together with the previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements.



- 2.9 “**Ordinary Course of Business**” means a transaction which is:
- a. carried out in the normal course of business envisaged in accordance with the Memorandum of Association (MOA) of the Company as amended from time to time; or
 - b. historical practice with a pattern of frequency; or
 - c. common commercial practice; or
 - d. meets any other parameters/criteria as determined by the Board/Audit Committee.
- 2.10 “**Policy**” means this policy on related party transactions, including amendments from time to time, if any.
- 2.11 “**Related Party**” means a related party as defined under the Act read with the clause 49 of the Listing Agreement as amended from time to time.
- 2.12 “**Related party transaction**” means a transaction between the Company and the related party for transfer of resources, services or obligations, regardless of whether the price is charged.
- 2.13 “**Relative**” means a relative as defined under the Act.

3. IDENTIFICATION OF RELATED PARTY TRANSACTIONS

All Related Party Transactions must be brought to the notice of the Audit Committee of the Company.

Any employee of the Company who is aware of any transaction that is or may be perceived to be a Related Party Transaction is required to bring the same to the attention of the Audit Committee of the Company through Company Secretary.

All Directors, Members of the Management Committee and Key Managerial Personnel (KMPs) are responsible for informing the Company of their interest (including interest of their Relatives) in other companies, firms or concerns at the beginning of every financial year and any change in such interest during the year. In addition, all Directors, Members of the Management Committee and KMPs are responsible for providing notice to the Company Secretary of any potential Related Party Transaction involving him/her or his or her relative, including any additional information about the transaction that the Audit Committee may request. The Board shall record the disclosure of interest and the Audit Committee will determine whether the transaction is in the ordinary course of business and on an arm’s length basis.



4. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS:

a. Audit Committee:

Every related party transaction shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolutions by circulation. However the Audit Committee may grant the omnibus approval for related party transactions proposed to be entered with the Company which are repetitive in nature and are in the ordinary course of business and on at Arm's length basis, subject to compliance of the conditions contained in the clause 49 of the listing agreement.

Any members of the Audit Committee who has potential interest in any related party transactions shall abstain from discussion and voting on the approval of the related party transactions.

To review the related party transaction, the Committee shall be provided with the necessary information, to the extent relevant, with respect to actual or potential related party transactions and/or prescribed under the Act and the rules thereunder and the listing agreement with the Stock Exchange.

The transactions entered into between the holding company and its wholly owned subsidiary, whose accounts are consolidated with such holding company and placed before the shareholders at the annual general meeting for approval shall not require the prior approval of Audit Committee.

b. Board of Directors:

If the Audit Committee determines that the related party transactions should be brought before the Board, or in case the Board decides to review any such matter or it is mandatory under any law for the Board to approve the related party transaction, then the board shall consider and approve the Related Party transaction and the Consideration set forth above shall apply to the Board's review and approval of the transaction with such modifications as may be necessary or appropriate under the circumstances.

c. Shareholders:

All the material related party transactions shall require approval of shareholders through special resolution and the related parties with whom the transaction is to be entered shall abstain from voting on such resolution.



All the transactions other than material related party transactions, with the related parties which are not in the ordinary course of business or at arm's length basis shall require the prior approval of the shareholders through special resolution if so required under any law and the related parties should abstain from voting on such resolution.

5. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY:

In the event the Company becomes aware of the transaction with a related party that has not been approved in accordance with this policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The audit committee shall review all the material facts and circumstances regarding the related party transaction and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction. The audit committee shall also examine the facts and circumstances regarding the related party transactions to the Audit Committee under this policy and failure of the internal control systems, and shall take any actions it deems appropriate.

In any case, where the audit committee determines not to ratify the related party transaction that has been commenced without approval, the audit committee as appropriate may direct the additional actions including but not limited to discontinuation of the transactions or seeking approval of the shareholders, payment of compensation for the loss suffered by the transaction with the related party etc. In connection with any review/ approval of a related party transaction, the audit committee has authority to modify or waive any procedural requirement of this policy.

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