

POLICY ON RELATED PARTY TRANSACTIONS (RPT)

Legislative background

As from 1st October, 2014, clause 49 of the Listing Agreement* requires that every listed company shall formulate a policy on dealing with related party transactions. Accordingly the Company has formulated a policy of Related party Transaction. In brief, the Policy is as under:

All the Related Party Transactions under section 188 of the Companies Act 2013 shall be approved by the Board of Directors of the Company; however this provision will not apply to the transactions entered into by the company in its ordinary course of business other than transactions which are not on an "arm's length" basis.

All the Material Related Party Transactions as per Listing Agreement shall be approved by the Board of Directors of the Company.

1. The Company shall not enter into any contract or arrangement with a Related Party without the prior approval of the Audit Committee.

2. The Audit Committee may, 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.

3. The Audit Committee may also, in the interest of the conduct of affairs of the Company, 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. 10 Lakhs per transaction.

4. The Audit Committee shall review, 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.

5. In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm's length, the Company shall comply with the provisions of the Companies Act 2013 and the Rules framed there-under and obtain approval of the Board or its shareholders, as applicable, for such contract or arrangement.

6. All material related party transactions, will be placed for approval of the shareholders of the Company. A transaction with a related party is considered material if the transaction/ transactions to be entered into, either individually or taken together with

previous transactions with such related party during a financial year, exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

This policy has been adopted by the Board of Directors of Nagreeka Capital & Infrastructure Limited at its meeting held on 13th November, 2014 and may be modified / amended by the Board as may be required from time to time.

*presently Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

** Arms' Length is the price which is applied or proposed to be applied in a transaction between persons other than associated enterprises in uncontrolled condition. IT Act, 1961 (92F).