

RELATED PARTY TRANSACTION POLICY

1) Introduction:

The Board of Directors (the Board) of “ Victoria Enterprises Limited” (the Company) has adopted this policy and procedures with regards to Related Party Transaction in line with the requirement of Section 188 of the Companies Act, 2013 read with rules made there under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015

The Board may review and amend the policy from time to time.

2) Purpose of Framing the Policy:

The Policy is framed as per the requirement of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015 the objective of the Policy is to ensure proper approval, disclosures and reporting of the transactions entered between the Company and its Related Parties.

3) Applicability:

The Policy on Related Party Transaction shall be governed by Section 188 of the Companies Act, 2013 read with Rules made there under, as well as Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015.

4) Key Definitions:

“Board of Directors” or “Board”

“Board of Directors” or “Board” in relation to a Company, means the Collective Body of the Directors of the Company

“Audit Committee”

“Audit Committee” means a Committee constituted under the provisions of Section 177 Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015.

“Key Managerial Person”

“Key Managerial Person” in relation to a Company, means;

- i) The Chief Executive Officer or the Managing Director or the Manager;
- ii) The Company Secretary;
- iii) The whole - time Director;
- iv) The Chief Financial Officer;
- v) Such other officers as may be prescribed under the Companies Act, 2013.

“Material Related Party Transaction” – As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015.

The transaction with the “Related Party” shall be considered material if the transaction/ transactions to be entered in to individually or taken together with previous transactions during a Financial Year exceed 10% of the annual consolidated turnover of the Company as per the last audited financial Statements of the Company.

“Related Party”

Related Party shall have the same meaning as defined under sec 2(76) of the Companies Act, 2013 or related party under applicable accounting standard.

“Related Party Transaction” as per Companies Act, 2013

“Related Party Transaction” shall have the same meaning as defined under Sec 188 (1) of the Companies Act, 2013

“Related Party Transaction” as per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015.

“Related Party Transaction means, any transaction involving any transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged.

Thus Related Party Transaction refers to related party transaction as per Companies Act, 2013 as well as the Listing Agreement.

5) Policy on Related Party Transaction

Identification of Potential Related Party Transaction

Each Director and Key Managerial Personnel is responsible for providing advance notice to the Board or Audit Committee of any potential Related Party Transaction involving himself/herself or their relatives including any additional information about the transaction that the Board or Audit Committee may request.

The Board shall record the disclosure of Interest; and the Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The Notice of any potential Related Party transaction shall be intimated to the Board/ Committee, well in advance so that the Board/ Committee have adequate time to review the transaction.

Restrictions on Related Party Transaction

All related party transaction shall require prior approval of the Audit Committee, however the Audit Committee may grant omnibus approval for Related Party Transaction proposed to be entered in to by the Company subject to the following conditions

- a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.
- b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.
- c) Such omnibus approval shall specify the following details as prescribed under the Listing Agreement & Companies Act, 2013

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding INR.1,00,00,000 (Rupees One Crore Only) per transaction.

Review of Related Party Transaction

Audit Committee shall review , at least on a quarterly basis, the details of Related Party Transaction entered in to by the Company pursuant to each of the omnibus approval given.

Approval given by the Audit Committee shall be valid for not exceeding one year and shall require fresh approvals after the expiry of one year.

Approval of Shareholders

a) Approval of Shareholders as per the requirement of Companies Act, 2013 Related Party Transaction with are either not in the 'Ordinary Course of Business' or are not at 'arm's length price' and exceeds the threshold under section 188 of the companies Act, 2013 shall also require prior approval of the shareholders through special resolution.

No members of the Company shall vote in a special resolution where related party contract or arrangement is being considered if such a member is a Related Party in Contract or Arrangement which is being considered.

b) Approval of Shareholders as per the requirements of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015.

All material Related Party Transaction with exceeds the threshold limit as prescribed under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015 shall require approval of Shareholders through special resolution.

All the Related parties interested in the subject matter of the resolution shall abstain from voting on such resolution.

However the above shall not be applicable to the transaction between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the Shareholders at the General Meeting for approval. In case the Company becomes aware of any transaction with a related party which has not been approved in accordance with policy prior to its execution, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant 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 Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under the policy and failure of the internal Control systems, and shall take any such action it deems appropriate.

Disclosures

The Policy shall also be uploaded on the website of the company and a web link thereto shall be provided in the Annual Report.

On behalf of the Board of the Company

Victoria Enterprises Limited