



## **RELATED PARTY TRANSACTIONS POLICY**

**SODHANI CAPITAL LIMITED**

**CIN - U65991RJ2019PLC064264**

**Reg. Office- P No. C 373, First Floor, C Block, Vaishali Nagar, Jaipur, 302021, Rajasthan**

**Email Id: - [sodhanicapital@gmail.com](mailto:sodhanicapital@gmail.com), [info@sodhanicapital.com](mailto:info@sodhanicapital.com)**



## 1. Regulatory Framework

The Companies Act, 2013 together with the Rules notified thereunder and Regulation 23 of the SEBI LODR Regulations (together referred to as “the applicable laws”), provide a framework for regulating transactions with Related Parties.

This policy is framed as per the requirements of the applicable laws and shall operate within the boundaries set by the laws. Further, in case of any contradiction of the clauses of this policy with aforesaid laws, the applicable laws shall prevail.

For this the Board of Directors (“Board”) of Sodhani Capital Limited (“The Company”) has adopted the said Related Party Transactions Policy.

## 2. Scope and Purpose

The objective of this Policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable to the Company in this regard and to ensure proper approval and reporting of transactions between the Company and its Related Parties.

## 3. Definitions

- a. “**Act**” means the Companies Act, 2013 or any previous enactment thereof and shall include all rules, regulations, made thereunder, amendments, modifications and re-enactments thereto.
- b. “**Arm’s Length Transaction**” means the transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- c. “**Audit Committee**” means Committee of Board of Directors of the Company constituted under the applicable laws.
- d. “**Board**” means the Board of Directors of the Company, as constituted from time to time.
- e. “**Key Managerial Personnel**” or “**KMP**” 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 officer, not more than one level below the directors who is in whole time employment, designated as key managerial personnel by the Board; and
  - vi) Such other officer as may be prescribed
- f. “**Relative**”, with reference to any person, means one who is related to another in any of the following manner —



- i) if they are members of a Hindu Undivided Family
  - ii) if they are husband and wife
  - iii) Father (including step-father)
  - iv) Mother (including step-mother) (v) Son (including step-son)
  - v) Son's wife
  - vi) Daughter
  - vii) Daughter's husband
  - viii) Brother (including step-brother)
  - ix) Sister (including step-sister)
- g. **“Related Party”** is a person or an entity which is:
- i) a related party under Section 2(76) of the Act;
  - ii) a related party under the applicable Accounting Standards;
  - iii) any person or entity belonging to the promoter or promoter group of the Company and holding 20% or more of shareholding in the Company
- h. **“Related Party Transaction”** means a transaction involving transfer of resources, services or obligations between the Company and a Related Party, regardless of whether a price is charged and includes the following transactions:
- i) sale, purchase or supply of any goods or materials;
  - ii) selling or otherwise disposing of, or buying, property of any kind;
  - iii) leasing of property of any kind;
  - iv) availing or rendering of any services;
  - v) appointment of any agent for purchase or sale of goods, materials, services
  - vi) such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company and
  - vii) underwriting the subscription of any securities or derivatives thereof, of the Company
- Explanation: Related Party Transaction includes a single transaction or a group of transactions in a contract, with a Related Party.

#### **4. Dealing with Related Party Transactions**

All Related Party Transactions (other than transactions between the Company and its wholly owned subsidiaries) which are in the ordinary course of business and on arm's length basis shall require approval of the Audit Committee of the Company in accordance with this Policy. Apart from this, All other related party transactions shall be dealt with in accordance of the prevailing provisions of Companies Act, 2013 and rules made thereunder.

#### **5. Identification of Related Party Transactions**

All Related Party Transactions shall be placed before the Audit Committee of the Company for its approval. All Directors, Members of the Management and Key Managerial Personnel (KMPs) are responsible for informing the Company of their interest (including interest at their Relatives) in other companies, firms or concerns at the beginning of every financial year and



any change in such interest during the year, immediately on occurrence (As per enclosed Annexure).

Further, Directors and KMPs should disclose to the Board whether they, directly, indirectly, or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company.

## **6. Review and Approval of Related Party Transactions**

All Related Party Transactions must be reported to the Board who shall place the same before the Audit Committee in accordance with this Policy.

The Audit Committee may, in the interest of the conduct of affairs of the Company may grant omnibus approval to Related Party Transactions that are repetitive in nature in compliance with SEBI (LODR) Regulations, 2015 subject to the following disclosure in approval:

- a) The transaction in question is necessary to be executed as it is in the business interest of the Company;
- b) The requisite information is presented to the Audit Committee's satisfaction to confirm that the transaction is entered in the ordinary course of business and on arm's length basis;
- c) Such omnibus approval shall specify –
  1. the name/s of the Related Party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
  2. the indicative value and the formula for variation in the value, if any and
  3. such other conditions as the audit committee may deem fit;
- d) Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of the financial year.
- e) Any member of the Audit Committee, who has an interest in any Related Party Transaction, will recuse himself or herself and abstain from discussion or voting on the approval or ratification of such related party transaction;
- f) All Related Party Transactions that are not in the ordinary course of business or not on arm's length basis shall be referred to the Board of Directors for their approval. Any member of the Board who has an interest in such Related Party Transaction will recuse himself or herself and abstain from discussion or voting on the approval of such Related Party Transaction.
- g) Any such Related Party Transactions shall also be placed for prior approval of shareholders if it exceeds the thresholds as prescribed under the Companies Act, 2013 and the Rules framed there under and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 if applicable.



- h) All entities falling under the definition of related parties shall not vote to approve the said resolution being placed before the shareholders.

## **7. Deemed Approval**

The transactions or arrangements which are specifically dealt under the separate provisions of the Law and executed under separate approvals/procedures from relevant committee shall be deemed to be approved for the purpose of this Policy. Such transactions are enumerated below:

- i. Any transaction pertaining to appointment and remuneration of Directors and KMPs that require approval of the Nomination and Remuneration Committee of the Company and the Board;
- ii. Transactions that have been approved by the Board under the specific provisions of the Companies Act, 2013 e.g., inter-corporate deposit, borrowings, investment etc. with or in wholly owned subsidiaries or other related parties;
- iii. Payment of Dividend;
- iv. Transactions involving corporate restructuring, such as buy-back of shares, capital reduction, merger, demerger, hive-off etc. which are approved by the board and carried out in accordance with the specific provisions of the companies' act, 2013;
- v. Contribution towards Corporate Social Responsibility (CSR) within the overall limits approved by the Board that require approval of the CSR Committee.

## **8. Ratification of Transaction with Related Party**

Where a company enters into any related party transaction without prior approval of Audit Committee, the company may ratify such transaction within three months to avoid any penal consequences.

## **9. Disclosure of Related Person By KMP/Directors of the Company**

Every KMP/Directors of the company shall provide the complete details of their relatives in terms of section 2(77) of the Act and their concern or interest in any Company/Firm/LLP or any other entity in the format as annexed "Annexure-1" at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change for the purpose of identification of related party transaction as per provisions of section 188 of the Act

## **10. General**



The Policy would be subject to revision/amendment in accordance with the Laws. The Audit Committee shall review the Policy atleast once in three years for making suitable amendments for better implementation of the Policy.

The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

The power to interpret and administer the Policy shall rest with the Chairman of the Audit Committee whose decision shall be final and binding. The Chairman is also empowered to make any supplementary rules/orders to ensure effective implementation of the Policy. These will, however, be reported to or tabled before the Audit Committee, from time to time, to ensure the Committee's oversight on these issues.



## ANNEXURE-1

### Disclosure of details of Relatives as per Section 2(77) of The Companies Act, 2013

Name of Person:

Designation:

The details of my relatives are as under:

Sr. No	Name of Relative	Relationship	PAN Number /Other Identification No.	Entities in which the relative is a self-proprietor/ partner or Member/ Director of a Private Company	Entities in which the director together with his relative(s) holds more than 2% of the paid-up share capital of a public limited company of which the director is also a director

Date:

Place:

(Signature)