



RELATED PARTY TRANSACTION POLICY

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1. PREAMBLE

The Board of Directors (the “Board”) of Yuranus Infrastructure Limited (the “Company”) has adopted Policy on Related Party in compliance with the requirements of Section 188 of the Companies Act, 2013 (the Act) read with Clause 49 of the then Listing Agreement.

Subsequently, in line with notification of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "Listing Regulations") in place of Listing Agreement and certain changes notified in the relevant Rules of Companies Act, the Policy has been amended.

This policy is to regulate transactions between the company and its related parties based on the laws and regulations applicable on the Company.

2. Objective

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of related party transactions in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

3. Definitions

“**Act**” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“**Arm’s length transaction**” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

For determination of Arm’s Length basis, guidance may be taken from provisions of Transfer pricing under Income Tax Act, 1961.

“**Audit Committee or Committee**” means “Audit Committee” constituted by the Board of Directors of the Company under provisions of SEBI LODR and Companies Act, 2013 and as reconstituted, from time to time.

“**Associate Company**” means any other Company, in which the Company has a significant influence, but which is not a Subsidiary Company of the Company having such influence and includes a joint venture Company.

Explanation – For the purpose of this clause, “Significant influence” means control of at least twenty per cent of total share capital, or business decisions under an agreement.

For the purpose of this clause, “joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

“Board of Directors” or **“Board”** means the Board of Directors of the Company, as constituted from time to time.

“Control” shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

“Key Managerial Personnel” means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.

“Material Related Party Transaction” in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations means a transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions with a Related Party during a financial year, exceeds Rs. 1000 crore or ten percent of the consolidated annual turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

However, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

All material related party transactions and subsequent material modifications shall require prior approval of the shareholders through resolution. Provided that (1) transactions entered into by the Company with its wholly owned subsidiary(ies) whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval and (2) transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval, shall not require approval of the Shareholders.

no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

“Policy” means Related Party Transaction Policy.

“Related Party” means related party as defined under Section 2(76) of the Companies Act, 2013 and the rules framed thereunder, Regulation 2(1)(zb) of the Listing Regulations, as amended from time to time and the applicable Accounting Standards.

Provided that any person or entity belonging to the promoter or promoter group of the Company and holding either directly or on a beneficial interest 20 % or more of shareholding or 10 % ten per cent or more shareholding, in the listed entity shall be deemed to be a Related party.

“Related Party Transaction or transaction” have the meaning as defined in the Section 188 and other applicable provisions of the Companies Act, 2013 and Regulation 2(1)(zc) of the Listing Regulations , as amended from time to time.

“Subsequent Material Modification” means and include any modification to an existing related party transaction having variance of 20% of the existing limit as sanctioned by the Audit Committee/Board/shareholders, as the case may be.

"Relative" means relative as defined under sub-section (77) of Section 2 of the Companies Act, 2013 and rules prescribed there under.

"Transaction" with a related party shall be construed to include a single transaction or a group of transactions.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable Accounting Standards or any other applicable law or regulation.

4. Materiality Thresholds

All Material Related Party Transactions and any subsequent material modification shall require prior approval of the shareholders through resolution. However, prior approval of shareholders of the Company shall not be required for such cases as may be prescribed under the Companies Act, 2013 and Listing Regulations, as amended or as notified by regulatory authority, from time to time.

5. Policy and Procedure

The Audit Committee shall review and approve all Related Party Transactions based on this Policy. All proposed Related Party Transactions must be reported to the Audit Committee for prior approval by the Committee in accordance with this Policy.

In the case of frequent/regular/repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre-approval/omnibus approval. In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Committee may ratify the transactions in accordance with this Policy.

5.1.1 Identification of Related Party Transactions

Every director/Key Managerial Personnel shall at the of appointment, at the time first board meeting in every financial year and whenever there is any change in the disclosures already made of the financial year provide information by way of written notice to the Company regarding his concern or interest in the entity with specific concern to parties which may be considered as related party with respect to the Company and shall also provide the list of relatives which are regarded as related party as per this policy. Directors are also required to provide the information regarding their engagement with other entity during the Financial Year which may be regarded as Related Party according to this policy.

The Company will identify potential transactions with Related Parties based on written notices of concern of interests received from its Directors/Key Managerial Personnel in the manner prescribed in the Companies Act, 2013 and the rules thereunder.

5.1.2 Review and approval of Related Party Transaction

All Related Party Transactions (except transactions entered with between the company and it's 100% subsidiary whose accounts are consolidated with the company) shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation or through electronic mode. A member of the Committee who (if)

has a potential interest in any Related Party Transaction will not remain present at the meeting or abstain from discussion and voting on such Related Party Transaction and shall not be counted in determining the presence of a quorum when such Transaction is considered. In the event the Company Management determines that it is impractical or undesirable to wait until a meeting of the Committee to enter into a Related Party Transaction, such transaction may be approved by the Committee by way of circular resolution in accordance with this Policy and statutory provisions for the time being in force. Any such approval must be ratified by the Committee at its next scheduled meeting.

❖ **Standing Pre-Approval / Omnibus Approval by Audit Committee:**

Every Related Party Transaction shall be subject to the prior approval of the Audit Committee.

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre-approval / omnibus approval. While granting the approval the Audit Committee shall satisfy itself of the need for the omnibus approval and that same is in the interest of the Company. The omnibus approval shall specify the following:

- a. Name of the related party
- b. Nature of the transaction
- c. Period of the transaction
- d. Maximum amount of the transactions that can be entered into
- e. Indicative base price / current contracted price and formula for variation in price, if any
- f. Such other conditions as the Audit Committee may deem fit in line with the provisions of the Companies Act, Listing Regulations and other applicable provisions, as amended from time to time.

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction unless there is Material Modifications. Further, the Committee shall on an annual basis or such period as it may deem fit review and assess such transactions.

While considering any transaction, the Committee shall take into account all relevant facts and circumstances including the terms of the transaction, arm's length nature of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters as statutorily required.

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company which are repetitive in nature subject to compliance of the conditions contained in the Companies Act, 2013 and SEBI LODR as amended from time to time.

{with effect from April 1, 2023, a related party transaction to which the Company's subsidiary is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of such subsidiary}

The committee shall also satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.

If any additional related Party Transaction is to be entered by the Company post omnibus approval granted by the Audit Committee, then the Company shall present such transaction before the Audit Committee in its next meeting for its prior approval.

To review a 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.

The Audit Committee shall recommend the Related Party Transactions for approval of Board of Directors/Shareholders as per terms of this policy.

❖ **Approval of the Board and the Shareholders**

All Related Party Transactions (other than Material Related Party Transactions) which are not in the ordinary course of business or not at the arm's length price shall require prior approval of the Board of Directors of the Company. Where any director is interested in any Related Party Transaction, such director will abstain from discussion and voting on the subject matter of the resolution relating to such Transaction.

Further, all such related party transactions exceeding threshold limits prescribed in the Act as per Annexure 1 shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and the Related Party/ies shall abstain from voting on such resolution whether the said related party/ies is/are a party/ies to the particular transaction or not.

❖ **Related Party Transactions not previously approved:**

In the event the Company becomes aware of a Related Party Transaction that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practicable before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and ratification.

The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company shall take such action as the Committee deems appropriate under the circumstances.

6. Disclosure and reporting of Related Party Transactions

Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.

The Company shall disclose policy on dealing with Related Party Transactions on its website and also in the Annual Report.

7. Scope Limitation

In the event of any conflict between the provisions of this Policy and of the Companies Act, 2013 / Listing Regulations / or any other statutory enactments, rules, the provisions of such Companies Act, 2013 / Listing Regulations or statutory enactments, shall prevail over this Policy.

8. Dissemination of Policy

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational employees and other concerned persons of the Company and shall be hosted on website of the Company and web link thereto shall be provided in the Annual Report of the Company.

9. Policy Review

This policy is framed based on the provisions of the Companies Act, 2013, and rules thereunder and the requirements of the SEBI LODR.

In case of any subsequent changes in the provisions of the Companies Act, 2013 and SEBI LODR or any other regulations ("the Regulations") which makes any of the provisions in the policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the Regulations.

The Policy shall be reviewed by the Audit Committee as and when any changes are to be incorporated in the policy due to change in the Regulations or as may be felt appropriate by the Committee. Any changes or modification on the Policy as recommended by the committee would be presented for approval of the Board of Directors. Provided that this policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly.

10. Amendment

Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act/Rules/Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and/or amended to that extent, even if not incorporated in this Policy.

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Annexure - 1

Transactions that, require previous approval of Shareholders of the Company, as prescribed under Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014, includes the transactions / contracts / arrangements as follows:

As contracts or arrangements with respect to clauses (a) to (e) of sub-section (1) of Section 188, with criteria as mentioned below-

Sr. No.	Transactions	Limits
1.	Sale, Purchase or Supply of any goods or materials directly or through appointment of agents	amounting to ten percent or more of the turnover of the company (on standalone basis)
2.	Selling or otherwise disposing off, or buying property of any kind directly or through appointment of agents.	amounting to ten percent or more of net worth of the company (on standalone basis)
3.	Leasing of any kind of Property	Amounting to ten per cent or more of turnover of the company (on standalone basis)
4.	Availing or rendering of any services directly or through appointment of agents	amounting to ten percent or more of the turnover of the company (on standalone basis)
5.	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 lacs per month
6.	Remuneration for underwriting the subscription of any securities or derivatives thereof of the company.	Exceeding 1 percent of Net Worth.

Explanation. -

1. It is hereby clarified that the limits specified in above Sr. No. 1 to 4 shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.
 2. The turnover or net worth referred in the above shall be computed on the basis of the audited financial statement of the preceding financial year
- As per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Transactions with Related Party shall be considered material	Limit
1.	Any transaction by the Company with Wholly Owned Subsidiaries as related parties	The transactions with Wholly Owned Subsidiary are fully exempted
2.	Any transaction by the Company with related parties other than Wholly Owned Subsidiaries	Upto 10% of Turnover (on consolidated basis) or Rs. 1000 Crore, whichever is lower
3.	Transactions involving payments made to Related Party with respect to brand usage or royalty	If the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5 % of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
4.	Any other transactions	If the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 10 % of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity or Rs. 1000 crore, whichever is lower.