AMIT SECURITIES LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

1. PREAMBLE

1.1 The Board of Directors (the "Board") of Amit Securities Limited (the "Company") has adopted this Policy upon recommendation of the Audit Committee and it includes the materiality threshold and the manner of dealing with Related Party Transactions ("Policy") in compliance with the requirements of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

1.2 This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions.

2. OBJECTIVE

2.1 This Policy is intended as follows:

A. To ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time;

B. To ensure high standards of Corporate Governance while dealing with related parties.

2.2. 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

3.1 "Audit Committee" or "Committee" means the Committee of the Board constituted from time to time under the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

3.2 Arm's Length Basis: Terms will be treated as on 'Arm's Length Basis' if the commercial and key terms are comparable and are not materially different with similar transactions with non-related parties considering all the aspects of the transactions such as quality, realizations, other terms of the contract, etc. In case of contracts with related parties for specified period / quantity / services, it is possible that the terms of one off comparable transaction with an unrelated party are at variance, during the validity of contract with related party. In case the Company is not doing

similar transactions with any other non- related party, terms for similar transactions between other non-related parties of similar standing can be considered to establish 'arm's length basis'. Other methods prescribed for this purpose under any law can also be considered for establishing this principle.

3.3 "**Board**" means the Board of Directors of the Company as defined under the Companies Act, 2013.

3.4 "**Key Managerial Personnel**" means Key Managerial Personnel as defined under Section 2(51) of the Companies Act, 2013.

3.5 "**Material Related Party Transaction**" means a Related Party Transaction which individually or taken together with previous transactions during the **financial year exceeds the thresholds as prescribed in Regulation 23 read with Schedule XII of the SEBI (LODR) Regulations, 2015.**

Notwithstanding the above, 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 5 (five) percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

3.6 "**Material Modification**" shall mean and include any modification to an existing Related Party Transaction having variance of 20% or more of the transaction value as approved by the Audit Committee/Board/shareholders as the case may be.

3.7 "**Ordinary Course of Business**" means the course of business in which Transactions are entered in pursuance of the business objective of the Company and necessary for Company's operations or related financial activities, including the fixed assets transactions, except:

A. transactions involving transfer/ demerger/ acquisition/ business restructuring transaction of a business or a unit thereof;
B. lending/ borrowing/ providing or receiving guarantees to/ from entities other than the entities which are consolidated in the Company's Consolidated Financial Statements;
C. investing in equity or instruments convertible in equity of the entities other than the entities which are consolidated in the Company's Consolidated Financial Statements as per approved budget or divesting any such investment for an amount exceeding Rupees Thirty Crores or 10% (ten percent) of the Company's net worth, whichever is lower;
D. any other items which are required to be reported as 'Exceptional Item' in the Company's annual financial statements

3.8 "**Related Party**" means a related party as defined under the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standards, as amended from time to time.

3.9 "**Related Party Transaction**" means any transaction between–:

(a) the Company/ any of its subsidiaries with Related Party of the Company/any of its subsidiaries;

(b) the Company/any of its subsidiaries with any other person/entity with a purpose to benefit a Related Party of the Company/any of its subsidiaries

for transfer of resources, services or obligations, regardless of whether a price is charged and includes –

A. Sale, purchase or supply of any goods or materials;
B. Selling or otherwise disposing of, or buying property of any kind;
C. Leasing of property of any kind;
D. Availing or rendering of any services;
E. Appointment of any agent for the purchase or sale of goods, materials, services or property;
F. Such related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company;
G. Underwriting the subscription of any securities or derivatives thereof, of the Company;
H. Financing (including loans and equity contributions in cash or kind);
I. Providing or obtaining guarantees and collaterals; and j. Deputation of employees.
(The points set forth above is an indicative list and not an exhaustive one).

3.10 "**Relative**" means a relative as defined under the Companies Act, 2013 and includes anyone who is related in any of the following manner –

A. Members of a Hindu undivided family;
B. Husband or wife;
C. Father (including step-father);
D. Mother (including step-mother);
E. Son (including step-son);
F. Son's wife;
G. Daughter;
H. Daughter's husband;
I. Brother (including step-brother); or
J. Sister (including step-sister).

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

3.12 The terms Director and Key Managerial Personnel shall have the same meaning as assigned under the Companies Act, 2013.

3.13 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 including amendments thereof, Indian Accounting Standards; and or any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions.

4. POLICY

4.1 The Members of the Audit Committee of the Company, who are Independent Directors shall review and approve all Related Party Transactions and Material Modifications based on this Policy.

4.2 All proposed Related Party Transactions and Material Modifications must be reported to the Audit Committee for its prior approval 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, details whereof are given in a separate section of this Policy.

4.3 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. IDENTIFICATION OF RELATED PARTY TRANSACTIONS:

5.1 Every Director and Key Managerial Personnel will be responsible for providing a declaration in the format as per Annexure 1 containing the following information to the Company Secretary on an annual basis:

A. Names of his / her Relatives;
B. Partnership firms in which he / she or his / her Relative is a partner;
C. Private Companies in which he / she is a member or Director;
D. Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital;
E. Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his / her advice, directions or instructions; and
F. Persons on whose advice, directions or instructions, he / she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity).

5.2 Every Director and Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in the above relationships, directorships, holdings, interests and / or controls immediately on him/ her becoming aware of such changes.

5.3 The Company Secretary / Compliance Officer/ Chief Financial Officer shall be responsible to maintain an updated database of information pertaining to Related Parties reflecting details of –

A. All Directors and Key Managerial Personnel;
B. All individuals, partnership firms, companies and other persons as declared and updated by Directors and Key Managerial Personnel;
C. Company’s holding company, subsidiary companies and associate companies;

D. Subsidiaries of holding company;

E. Director or Key Managerial Personnel of the holding company or their Relatives;

F. All group entities; and

G. Any other entity which is a Related Party as defined under Section 2(76) of the Companies Act, 2013 read with Listing Obligation or the relevant Accounting Standard.

5.4 The database shall be updated whenever necessary and shall be reviewed at least once a year jointly by the Company Secretary / Compliance Officer. The functional / business heads / Chief Financial Officer / Company Secretary shall have access to the updated database.

5.5 Every Director, Key Managerial Personnel, Functional / Business heads / Chief Financial Officer will be responsible for providing prior notice to the Company Secretary of any potential Related Party Transaction. They will also be responsible for providing additional information about the transaction that the Board / Committee may request, for being placed before the Committee and the Board.

5.6 The suggested details and list of records and supporting documents which are required to be provided along with the Notice of the proposed transaction are provided in Annexure 2 to this Policy.

5.7 The Company Secretary / Compliance Officer in consultation with the Chief Financial Officer may refer any potential related party transaction to any external legal/transfer pricing expert and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee. Based on this Notice, the Company Secretary / Compliance Officer will take it up for necessary approvals under this Policy.

6. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION

6.1 All Related Party Transactions 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 may remain present in the meeting but shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not and shall not be counted in determining the presence of a quorum when such transaction is considered.

7. CONSIDERATION BY THE COMMITTEE IN APPROVING THE PROPOSED TRANSACTIONS

7.1 While considering any transaction, the Committee shall take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

7.2 Prior to the approval, the Committee shall, inter-alia, consider the following factors to the extent relevant to the transaction:

A. Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;

B. The business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;

C. Whether the Related Party Transaction includes any potential reputational risks that may arise as a result of or in connection with the proposed Transaction; and

D. Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the Director, Key Managerial Personnel or other Related Party, the direct or indirect nature of the Director's interest, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Committee deems relevant.

7.3 While considering the arm's length nature of the transaction, the Committee shall take into account the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party. The Committee shall take into consideration that subsequent events (i.e., events after the initial transactions have commenced) like evolving business strategies / short term commercial decisions to improve / sustain market share, changing market dynamics, local competitive scenario, economic / regulatory conditions affecting the global / domestic industry, may impact profitability but may not have a bearing on the otherwise arm's length nature of the transaction.

8. APPROVAL BY CIRCULAR RESOLUTION OF THE COMMITTEE

8.1 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.

9. APPROVAL BY THE BOARD

9.1 If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

10. STANDING PRE-APPROVAL / OMNIBUS APPROVAL BY THE COMMITTEE

10.1 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; and
F. Such other conditions as the Audit Committee may deem fit.

10.2 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 the price, value or material terms of the contract or arrangement have been varied / amended. Any proposed variations / amendments to these factors shall require a prior approval of the Committee. The Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given, if any.

10.3 Further, where the need of the related party transaction cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the value per transaction not exceeding Rs.1 Crore (Rupees One Crore only). The details of such transaction shall be reported at the next meeting of the Audit Committee for ratification. Further, the Committee shall on an annual basis review and assess such transactions including the limits to ensure that they are in compliance with this Policy.

10.4 The omnibus approval shall be valid for a period of one year.

11. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS

11.1 All Material Related Party Transactions and its subsequent Material Modification shall require approval of the shareholders through special resolution and the Related Parties shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.

12. TRANSACTIONS WHICH DO NOT REQUIRE APPROVAL

12.1 Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee:

A. Any transaction involving the providing of compensation to a director or Key Managerial Personnel in connection with his duties to the Company including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.

B. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

13. TRANSACTIONS NOT IN THE ORDINARY COURSE OF BUSINESS OR NOT AT ARM'S LENGTH

13.1 All Related Party Transactions in excess of the limits prescribed under the Companies Act, 2013, which are not in the Ordinary Course of Business or not at Arms' Length shall also require the prior approval of the shareholders through special resolution and the Related Parties shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.

14. RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED

14.1 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.

14.2 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 may deem appropriate under the circumstances.

15. DISCLOSURE AND REPORTING OF RELATED PARTY TRANSACTIONS

15.1 Every Related Party Transaction entered into by the Company shall be referred to in the Board's report to the shareholders along with justification for entering into such transaction. The Chief Financial Officer shall be, responsible for such disclosure. The Company Secretary / Compliance Officer shall also make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

15.2 The Company shall disclose to the stock exchange along with the compliance report on corporate governance on a quarterly basis details of all material transactions with Related Parties.

15.3 The Company shall submit on the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

15.4 Director's report shall contain details of Related Party Transactions as required under the Act and Regulation 23 of the SEBI Listing Regulations.

16. LIMITATION

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

17. DISSEMINATION OF POLICY

17.1 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 the intranet and website of the Company and web link thereto shall be provided in the annual report of the Company.

18. REVIEW OF POLICY

18.1 The Board of Directors of the Company shall review and update the Policy once in every Year or within such period as mandated by any regulatory amendments.

19. PENALTY FOR NON ADHERENCE OF THE CLAUSES OF THE POLICY

19.1 Non – Adherence to any of the Clause as mentioned in this Policy will attract penalty of twenty-five thousand rupees and which may extend to five lakh rupees as prescribed under Section 188 of the Companies Act, 2013, and a penalty of one lakh rupees which may extend to one crore rupees as prescribed under Section 15 HB of SEBI Act, 1992.

ANNEXURE 1

NOTICE OF INTEREST BY DIRECTOR / KEY MANAGERIAL PERSONNEL

To,
The Company Secretary/Compliance Officer
AMIT SECURITIES LIMITED

Address

Dear Sir,

A. I, ……., son/ daughter/ spouse of ……, resident of …….., holding ..... Shares (equity) of Rs. 10/- each (..... percent of the paid- up capital) in the Company in my name, being a..... in the Company, hereby give notice that I am interested directly/through my Relatives (Schedule) in the following company or companies, body corporate, firms or other association of individuals:

Sr. No.	Name of the Companies/Bodies Corporate/Firms/ Association of Individuals	Nature of Interest orconcern / Change in Interest or Concern	Shareholding (No. & %)	Date on which Interest or Concern arose/changed

B. The Following are the Bodies Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with any advice, directions or instructions:

Sr. No.	Name of the Body Corporate

C. I am accustomed to act on the advice, directions or instructions of the following persons (other than advice, directions or instructions obtained in professional capacity):

Sr. No.	Name of person	Relation

D. List of relatives

Relationship	Full Name	Shareholding in the Company
1. Spouse		
2. Father (including Step-Father)		
3. Son (including Step-son)		
4. Daughter		
5. Daughter's Husband		
6. Brother (Including Step-Brother)		
7. Sister (Including Step-Sister)		
8. Mother (including Step-Mother)		
9. Son's Wife		
10. Members of HUF		

Signature :
Name :
Designation:
Place:
Date:

ANNEXURE 2

INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE / BOARD IN RELATION TO THE PROPOSED RELATED PARTY TRANSACTION (TO THE EXTENT RELEVANT TO THE TRANSACTION):

A. Name of the Related Party and nature of relationship;
B. Nature and duration of the contract/transaction and particulars thereof
C. Material terms of the contract or arrangement or transaction including the value, if any;
D. In case of existing or approved contracts, transactions, details of proposed variations to the duration, current price / value and / or material terms of the contract or arrangement including a justification to the proposed variations;
E. Any advance paid / received or to be paid / received for the contract or arrangement, if any;
F. Manner of determining the pricing and other commercial terms, whether or not included as part of contract;
G. Copy of the draft MOU, agreement, contract, purchase order or correspondence etc. if any.
H. Applicable statutory provisions, if any;
I. Valuation reports in case of sale or purchase or leasing / renting of capital assets or securities;
J. Justification as to the arm's length nature of the proposed transaction;
K. Declaration whether the transaction is in the ordinary course of business;
L. Persons / authority approving the transaction; and
M. Any other information relevant or important for the Committee / Board to take a decision on the proposed transaction.