

Manufacturers of :

AUTOMOTIVE HALOGEN, INCANDESCENT, LED LAMPS & HOUSE LED LAMPS

329, Avior Nirmal Galaxy, Near Deep Mandir Cinema,
L.B.S. Marg, Mulund (W), Mumbai - 400 080. India

+91 22 2565 1355 : www.uravilamps.com : info@uravilamps.com

CIN : L - 31500 MH 2004 PLC 145760



An IATF 16949:2016 Certified Organization

RELATED PARTY TRANSACTION POLICY

Policy on materiality of Related Party Transactions
and dealing with Related Party Transactions

Document Details

Specifics	Details
Document Name	Related Party Transactions Policy
Date of Review	
Date of Implementation	

Table of Contents

PARA NO.	SECTION	PAGE NO.
1.	PREAMBLE	4
2.	SCOPE AND OBJECTIVE	4
3.	APPLICABILITY	4
4.	DEFINITIONS	4
5.	MANNER OF DEALING WITH RELATED PARTIES	6
6.	PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTION	7
7.	ORDINARY COURSE OF BUSINESS	12
8.	DISCLOSURES AND REGISTERS	12
9.	RPT NOT APPROVED UNDER THIS POLICY	13
10.	GENERAL PRINCIPLES	13
11.	LIMITATION AND AMENDMENT	13
12	REVIEW OF THE POLICY	14

1.PREAMBLE

Uravi T and Wedge Lamps Limited (“the Company”) has always been committed to good corporate governance practices. As a matter of practice, the Company follows an arm’s length basis in transacting business with its related parties, which are in the ordinary course of business.

The Board of Directors has adopted this Policy upon recommendation of the Audit Committee.

2.SCOPE AND OBJECTIVE

This Policy has been formulated to regulate transactions between the Company and one and more of its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders.

The Policy includes materiality thresholds and the manner of dealing with Related Party Transactions (“the Policy”) in compliance with the requirements of Section 188 of the Companies Act, 2013 (“the Act”) and Rules thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). Amendments, from time to time, to the Policy, if any, shall be considered by the Board of Directors based on the recommendations of the Audit Committee.

3.APPLICABILITY

- Board Of Directors
- Key Managerial Personnel
- Related parties as defined
- Employees of Uravi T and Wedge Lamps Limited
- Subsidiaries of the Company

4.DEFINITIONS

“**Audit Committee**” means Committee constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof.

“**Arm’s Length Price**” means the transactions between related parties that are conducted as if they were unrelated, so that there is no conflict of interest in the transaction.

“**Board**” means Board of Directors in relation to a Company, means the collective body of the Directors of the Company.

“**Company**” means Uravi T and Wedge Lamps Limited.

“**Control**” has the same meaning as defined under Section 2(27) of the Act.

“**Relative**”, with reference to any person, means anyone who is related to another, if—

- They are members of a Hindu Undivided Family;

- They are husband and wife; or
- one person is related to the other in such manner as may be prescribed
- List of Relatives in Terms of Clause (77) of section 2
- A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely: -
 - (1) Father: Provided that the term "Father" includes stepfather.
 - (2) Mother: Provided that the term "Mother" includes the stepmother.
 - (3) Son: Provided that the term "Son" includes the stepson.
 - (4) Son's wife.
 - (5) Daughter.
 - (6) Daughter's husband.
 - (7) Brother: Provided that the term "Brother" includes the stepbrother.
 - (8) Sister: Provided that the term "Sister" includes the stepsister.

"Related Party" as defined under Section 2 (76) and Regulation 2(1) (zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under the applicable accounting standards as amended from time to time.

With reference to the company, related party means the following:

- I. Director or his relative;
- II. Key managerial personnel or his relative;
- III. Firm, in which a director, manager or his relative is a partner;
- IV. Private company in which a director, manager or his relative is a member or director;
- V. Public company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid-up share capital;
- VI. Any body corporate whose BODs, Managing Director or Manager is accustomed to act in accordance with the advice, directions, or instructions of a director or Manager
- VII. any person on whose advice, directions, or instructions a director or manager is accustomed to act;
- VIII. Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions, or instructions given in a professional capacity
- IX. Any body corporate which is –
 - a. a holding, subsidiary, or an associate company of such company; or
 - b. a subsidiary of a holding company to which it is also a subsidiary; or
 - c. an investing company or the venturer of the company.

Explanation. – For the purpose of this clause, "the investing company or the venturer of a company" means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate, such other person as may be prescribed;

For the purposes of sub-clause (ix) of clause (76) of section 2 of the Act, a director [other than an independent director] or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.

Pursuant to Regulation 2(1) (zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- any person or entity forming a part of of the promoter or promoter group of the listed entity; or

- any person or any entity, holding equity shares:
 - i) of twenty percent or more; or
 - ii) of ten per cent or more, w.e.f 1st April 2023
 in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party;

This definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s)

"Related Party Transaction" has the meaning as specified under Section 188 and defined under Regulation 2(1)(zc) of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended, the transfer of resources, services or obligations between

- a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries
- regardless of whether price is charged and a transaction with a related party shall be construed to include a single transaction or a group of transactions in a contract, including but not limited to the following :
 - 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 purchase or sale of goods, materials, services or property;
 - f. appointment to any office or place of profit in the company, its subsidiary company or associate company and
 - g. underwriting the subscription of any securities or derivatives thereof, of the company.

"Material Related Party Transaction" means a Related Party Transaction with thresholds as prescribed under the SEBI Listing Regulations.

"Stock Exchange (s)" means BSE Limited and NSE Limited

5. MANNER OF DEALING WITH RELATED PARTIES

Identification of Related Parties

The Company has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation 2(1) (zb) of the SEBI Listing Regulations.

Identification of Related Party Transactions

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 read with Section 177 of the Act and Regulation 2(1) (zc) of the

SEBI Listing Regulations.

Material Related Party

Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements), Section 188 of Companies Act 2013 and rules made thereunder requires a company to provide materiality thresholds for transactions beyond which approval of the shareholders through resolution will be required.

A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one Thousand Crore or ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company (whichever is lower).

A “transaction(s)” involving payments made to 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, exceeds five percent of the annual consolidated turnover of the company as per last audited financial statements of the Company.

Factors to be considered while granting approval to Related Party Transactions

The Audit Committee/Board will consider the following factors, among others, to the extent relevant to the RPT while granting the approval:

- Whether the terms of the RPT are fair and on arm’s length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the RPT and the nature of alternative transactions, if any;
- Whether the RPT would affect the independence of an independent director;
- Whether the transaction qualifies to be a transaction in ordinary course of business;
- Whether the transaction is in the interest of the Company;
- Whether the RPT would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the terms and size of the transaction, the purpose and timing of the transaction, the direct or indirect nature of the director’s, Key Managerial Personnel’s or other Related Party’s interest in the transaction;

6.PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTION

Approval of the Audit Committee

A. All RPTs and subsequent material modification to the transaction with Related Parties

shall require prior approval of Audit Committee. Only those members of the Audit Committee, who are Independent Directors, shall approve the RPTs.

- B. The Audit Committee of a listed entity shall define “material modifications” and disclose it as a part of the policy on materiality of related party transactions and on dealing with related party transactions.
- C. A RPT to which the subsidiary of a Company is a party, but the Company is not a party, shall require prior approval of the Audit Committee, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual standalone turnover, as per the last audited financial statements of the subsidiary company.
- D. The Company may obtain omnibus approval from the Audit Committee for such transactions which are repetitive in nature and are in the ordinary course of business and on at Arm’s Length basis, subject to compliances with the following conditions:
 - a. The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for granting the omnibus approval in line with the Policy and such approval which shall include the following namely:
 - i. Maximum value of the transaction, in aggregate, which can be allowed under the omnibus route in a year;
 - ii. The maximum value per transaction which can be allowed;
 - iii. extent and manner of disclosures to be made to the audit committee at the time of seeking omnibus approval
 - iv. review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each omnibus approval made;
 - v. transactions which cannot be subject to the omnibus approval by the Audit Committee
 - b. The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely: -
 - i. repetitiveness of the transactions (in past or in future);
 - ii. justification for the need of omnibus approval
 - c. The Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the company;
 - d. The omnibus approval shall provide details of:
 - i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,
 - ii) basis of arriving at 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.

Provided that where the need for related party transactions cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding rupees 1 crore per transaction.

e. The Audit Committee shall review, at least on a quarterly basis, the aggregated value and other details of related party transactions transacted into by the company pursuant to the omnibus approval given;

f. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after expiry of 1 year.

g. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

h. Any other conditions as the Audit Committee may deem fit.

E. The following information shall be provided to the Audit Committee while seeking their approval for RPTs:

- i. Type, nature, material terms and particulars of the proposed transaction;
- ii. Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);
- iii. Tenure of the proposed transaction (particular tenure shall be specified);
- iv. Value of the proposed transaction;
- v. The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for an RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
- vi. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:
 - i. details of the source of funds in connection with the proposed transaction;
 - ii. Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
 - nature of indebtedness;
 - cost of funds; and
 - tenure;
 - iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
- vii. Justification as to why the RPT is in the interest of the Company;
- viii. A copy of the valuation or other external party report, if any such report has been relied upon.
- ix. Any other relevant information or such information as may be prescribed under SEBI LODR.

F. The Audit Committee shall also review the status of long-term (more than one year) or

recurring RPTs on an annual basis.

- G. The Audit Committee shall have authority to investigate into any matter in relation to matters specified in Section 177(4) or referred to it by Board and for this purpose shall have the power to obtain professional advice from external sources and have access to information contained in records of the Company.
- H. In the event of transactions, other than transactions referred to in Section 188 of the Act and where the Audit Committee does not approve any transaction, it shall make its recommendation to the Board.
- I. Transaction of following nature will not be subject to the omnibus approval of the Audit Committee:
 - 1. Transactions which are not at arm's length or not in the ordinary course of business
 - 2. Transactions which are not repetitive in nature
 - 3. Transactions in respect of selling or disposing of the undertaking of the company
 - 4. Financial Transactions e.g., Loan to related parties, Inter Corporate Deposits, subscriptions to bond, debenture or preference shares issued by the related parties, corporate guarantee given/received from related parties
 - 5. Any other transaction the Audit Committee may deem not fit for omnibus approval

Approval of the Board of Directors of the Company

As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and which are not in the ordinary course of business or not at arm's length basis, are placed before the Board for its approval.

In case any related party transactions are referred by the Company to the Board for its approval it should fulfil the below conditions

- (a) the name of the related party and nature of relationship;
- (b) the nature, duration of the contract and particulars of the contract or arrangement;
- (c) the material terms of the contract or arrangement including the value, if any;
- (d) any advance paid or received for the contract or arrangement, if any;
- (e) the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
- (f) whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- (g) any other information relevant or important for the Board to take a decision on the proposed transaction.

Any member of the Board who has any potential interest in any related party transaction will

rescue himself/herself and abstain from discussion and voting on the approval of the related party transaction.

In addition to the above, the following kinds of transactions with related parties are also placed before the Board for its approval:

- a) Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the policy determined by the Board from time to time (i.e., value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
- b) Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;

At the time of determining the arms' length nature of price charged for the Related Party Transaction, permissible method of arms' length pricing as per applicable law would be considered.

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'.

- c) Transactions which are in the ordinary course of business and at arm's length basis, but which as per Audit Committee requires Board approval
- d) Transactions meeting the materiality thresholds laid down in Clause 5 of the Policy, which are intended to be placed before the shareholders for approval

Approval of the Shareholders of the Company

All the Material RPTs, any modification to the transaction with Related Parties as per the provisions of the Act, and subsequent material modifications to the transaction with Related Parties as per the provisions of the SEBI LODR, shall be placed before the shareholders for approval.

For this purpose, none of the related parties of the Company shall vote to approve on such shareholders' resolution irrespective of whether the entity is a related party to the particular transaction or not. (RP's can cast only negative vote to reject the shareholders resolution on material RPT).

In addition to the above, all kinds of transactions specified under Section 188 of the Act which (a) are not at Arm's Length or not in the ordinary course of business; and (b) exceed the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 are placed before the shareholders for its approval.

No related party shall vote to approve such resolutions irrespective of whether the entity is a

related party to the particular transaction or not.

The following information shall be provided to the shareholders while seeking their approval for RPTs:

- i) A summary of the information provided by the management of the Company to the audit committee;
- ii) Type, material terms and particulars of the proposed transaction;
- iii) Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest;
- iv) Tenure and value of the proposed transaction;
- v) Reasons/justification for why the proposed transaction is in the interest of the Company;
- vi) The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving subsidiary, such percentage calculated on the basis of the Subsidiary's annual turnover on a standalone basis shall be additionally provided);
- vii) Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details specified under:
 - i. details of the source of funds in connection with the proposed transaction;
 - ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
 - nature of indebtedness;
 - cost of funds; and
 - tenure;
 - iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
- viii) A statement that the valuation or other external report, if any, relied upon by the Company;
- ix) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
- x) Any other relevant information or such information as may be prescribed under Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

However, the requirement of shareholders' approval for Material Related Party Transactions shall not be applicable for the following cases:

- transactions in respect of a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code (IBC) 2016, subject to the event being disclosed to recognized stock exchange within one day of the resolution plan being approved.
- transactions entered into 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.

7.ORDINARY COURSE OF BUSINESS

The Audit Committee/the Board shall, in respect of the RPTs referred to them for approval, after considering the information/ documents placed before them; identify if the transaction is in the ordinary course of business or on an arm's length basis. The Audit Committee/ the Board may seek observations of professionals/ specialists (on a need basis) for analyzing the appropriateness of the transactions from 'ordinary course of business' or 'arm's length' perspective.

8.DISCLOSURES & REGISTERS

The Company shall disclose, in its Board's report, transactions that are prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or not at arm's length basis along with the justification for entering into such transaction.

The Company shall submit on the date of publication of its standalone and consolidated financial results for the half-year basis, 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.

The Company shall be required to disclose this Policy on its website and web link thereto shall be provided in the Annual Report of the Company.

The Company shall keep and maintain a register either physically or electronically, as may be decided by the Board of Directors, giving separately the particulars of all contracts or arrangements to which this policy applies, and such register is placed/taken note of before the meeting of the Board of Directors.

Every director or Key Managerial Personnel shall, within a period of 30 (thirty) days of this appointment, or relinquishment of his office in other companies, as the case may be, shall inform the Company the particulars relating to his/her concern or interest in the other association which are required to be included in the register maintained.

9.RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In any event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all the relevant facts and circumstances regarding the related party transaction, and shall evaluate all the options available to the Company, including ratification, revision or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to

the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control systems and shall take any such action it deems appropriate.

In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation by the defaulting person (as may be decided by the Audit Committee) to the related party or the Company as the case may be, etc. In connection with any review/approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

10. GENERAL PRINCIPLES

1. It shall be the responsibility of the Board to monitor and manage potential conflicts of interest of management, board members and shareholders, including abuse in Related Party Transactions.
2. The Independent Directors of the Company shall pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company.
3. The Company while entering into any Related Party Transaction shall ensure that such Related Party Transaction is in the best interest of the Company and adheres to this Policy.

11.LIMITATION AND AMENDMENT

The Board of Directors may in their discretion and on recommendation of the Audit Committee, make any changes/modifications and/or amendments to this Policy from time to time.

Requirements with respect to quorum, notice of meeting, documentation, etc shall be in conformity with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government, unless expressly stated otherwise.

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

12.REVIEW OF THE POLICY

The adequacy of this Policy shall be reviewed and reassessed by the Committee & Board or directors at least once every three years and appropriate recommendations shall be made to the Board to update the Charter based on the changes that may be brought about due to any regulatory amendments or otherwise.