

JHAVERI CREDITS AND CAPITAL LIMITED

Policy on materiality and dealing with Related Party Transactions

PREAMBLE

This policy is framed as per the Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

OBJECTIVE

This policy intends to comply with the requirements of the Listing Regulations to ensure proper approval and reporting of dealings with Related Parties and shall also be governed by the provisions of Section 188 of the Companies Act, 2013 read with Rules made thereunder, as may be amended from time to time.

The Company is committed to transparency and fairness in dealing with all Related Parties and in ensuring adherence to all applicable laws and regulations, as may be amended from time to time.

INTERPRETATION

Any terms used herein shall have the same meaning as defined in the Companies Act, 2013 or Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) or Listing Regulations amended from time to time.

MEANING OF MATERIAL RELATED PARTY TRANSACTION

Transaction to be entered into with a Related Party, individually or taken together with previous transactions during a financial year:

1. In case of transactions involving payments made with respect to brand usage or royalty, if it exceeds 5% of the annual consolidated turnover of the Company as per its last audited financial statements;

2. In case of any other transaction(s), if the amount exceeds Rs. 1,000 Crores or 10% (ten percent) of the annual consolidated turnover of the Company as per its last audited financial statements, whichever is lower.

APPROVAL OF RELATED PARTY TRANSACTIONS

Every contract or arrangement with related party shall not be entered without the approval of the Audit Committee.

Prior approval of Board or members, as applicable under Companies Act 2013 and Rules made thereunder or Listing Regulations shall be required for any contract or arrangement with related party which is not in the ordinary course of business or at arm's length.

No Director shall vote on the resolution in which such Director or member or his relative is interested.

All material contract or arrangement with related party shall be approved by means of resolution as prescribed under the Companies Act, 2013 and no Director or members shall vote on the resolution in which such Director or member or his relative is interested.

REVIEW

The Board of Directors, subject to applicable laws, is entitled to amend, suspend or rescind this Policy at any time in line with the Companies Act, 2013, and / or Listing Regulations.