



PETRONET LNG LIMITED

COMPREHENSIVE POLICY ON

MATERIALITY OF RELATED PARTY TRANSACTIONS

AND

ON DEALING WITH RELATED PARTY TRANSACTIONS



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1. PREAMBLE

This Policy is framed as per the requirement of Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its stakeholders.

This Policy envisages the materiality of Related Party Transactions and the procedure governing Related Party Transactions required to be followed by PLL to ensure compliance with the following existing statutes/ guidelines as amended from time-to-time:

- (i) Section 177 & 188 of the *Companies Act, 2013* read with the applicable provisions under the *Companies (Meetings of Board and its Powers) Rules, 2014*;
- (ii) Regulation 23 of the *Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015* as amended from time-to-time alongwith other related circulars, clarifications, guidelines and notifications issued thereunder by SEBI;
- (iii) Indian Accounting standards (Ind AS) 24 on Related Party Disclosure;
- (iv) Income Tax Act, 1961 and the rules made thereunder; and
- (v) other applicable laws, if any.

With the application of multiple laws, if there exists more than one set of requirements, the endeavor shall be based on the compliance principle which would meet the higher standard of corporate governance. This Policy shall supplement Company's other policies & practices/ delegation of authorities/ manual of authorities etc. which require approval of the contracts or arrangements in specified manner and by specified authority.

2. OBJECTIVE

This comprehensive Policy aims:

- (i) To provide a framework for regulating transactions between PLL and its Related Parties by ensuring proper identification, review, approval and reporting of all the Related Party Transactions;



- (ii) To define the 'material modifications' in Related Party Transactions and provide clear materiality threshold limits duly approved by the Board of Directors;
- (iii) To eliminate the potential or actual conflicts arising from Related Party Transactions and foster consistency with PLL's and its stakeholders' best interests.

3. DEFINITIONS

The following terms, for the purpose of this Policy, shall have the following meanings, derived from the relevant applicable provisions of SEBI Listing Regulations, Companies Act, 2013 read with rules made thereunder, Income Tax Act, 1961 read with rules made thereunder; and Indian Accounting Standards on Related Party Disclosures (IND AS 24), as amended from time to time:

3.1. ***"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;

3.2. ***"Associate Company"*** in relation to PLL, means a company in which PLL has a significant influence, but which is not a Subsidiary Company of PLL having such influence and includes a joint venture company. An Associate Company also includes subsidiaries of the Associate Company and a joint venture also includes subsidiaries of the joint venture.

Explanation – For the purposes of this clause,

- (i) *"significant influence"* means control of at least 20% of total voting power, or control of or participation in business decisions under an agreement,
- (ii) the expression *"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;

3.3. ***"Audit Committee"*** means Audit Committee constituted by the Board of Directors of the Company under provisions of the Companies Act, 2013 and SEBI Listing Regulations from time to time:

3.4. ***"Board of Directors"*** or ***"Board"*** means the Board of Directors of PLL, as constituted from time to time;



- 3.5. **"Company"** or **"PLL"** means Petronet LNG Limited (CIN: L74899DL1998PLC093073);
- 3.6. **"Compliance Officer"** means the qualified company secretary as designated by the Board under SEBI Listing Regulations;
- 3.7. **"Key Managerial Personnel"** or **"KMP"** in relation to PLL, 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 under Section 2(51) of the Companies Act, 2013;
- 3.8. **"Material Modification"** in relation to the Related Party Transaction(s), as defined by the Audit Committee, shall mean:
- (i) any increase due to change(s)/ variation(s)/ modification(s) in the value of approved Related Party Transactions during the financial year by 50%;
 - (ii) any other parameter as may be determined by the Audit Committee from time to time.

Provided that any such change(s)/ variation(s)/ modification(s) in Related Party Transactions shall not be considered material if there is any change due to fluctuation in foreign exchange rate, government policy for tax, duties etc., changes in price/ rate of gas / change in gas pricing formula/ volume of gas, etc. which is beyond the control of the Company;

- 3.9. **"Material Related Party Transaction"** means a transaction to be entered into with a Related Party, individually or taken together with previous transactions during a financial year, exceeding the following materiality threshold limits, approved by the Board:



- (i) In case of transactions involving payments made with respect to brand usage or royalty, if it is exceeding 5% of the annual consolidated turnover of PLL as per its last audited financial statements;
- (ii) In case of any other transaction(s), if it is exceeding Rs. 1,000 crores or 10% (ten percent) of the annual consolidated turnover of PLL as per its last audited financial statement, whichever is lower;

Explanation- For avoidance of doubts, it is clarified that in case the value of proposed modification taken together with the value of the already approved Related Party Transaction crosses the materiality threshold limits subsequent to such modification during the financial year, the entire transaction shall be considered as Material Related Party Transaction and shall be dealt accordingly;

3.10. ***"Policy"*** means this *'Comprehensive Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions'* duly approved by the Board on 23.03.2023, and as amended from time to time.

3.11. ***"Related Party"*** means:

- (i) A 'related party' as defined under Section 2(76) of the Companies Act, 2013, which is as follows:
 - a. a Director or his Relative;
 - b. a Key Managerial Personnel or his Relative;
 - c. a firm, in which a Director or manager of PLL or their Relative is a partner;
 - d. a private company in which a Director or manager of PLL is a member or director;
 - e. a public company in which a Director or manager of PLL is a director and holds along with his Relatives, more than 2% of its paid-up share capital;
 - f. any body corporate whose board of directors, managing director, or manager is accustomed to act in accordance with the advice, directions or instructions of a Director or manager of PLL;
 - g. any person under whose advice, directions or instructions a Director or manager of PLL is accustomed to act;



Provided that nothing in sub-clauses (f) and (g) shall apply to the advice, directions or instructions given in a professional capacity;

- h. any body corporate which is:
- a holding, subsidiary or an associate company of PLL,
 - a subsidiary of a holding company to which PLL is also a subsidiary, or
 - an investing company or the venturer of PLL;

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 PLL becoming an associate company of the body corporate.

- i. a director (other than an independent director) or key managerial personnel of the holding company of PLL or his Relative;
- j. any other person or entity as may be prescribed under Section 2(76) of the Companies Act, 2013.

(ii) In addition to the above, a person or an entity will be considered a ‘related party’ if it satisfies the conditions laid down under the Indian Accounting Standard 24 (Ind AS 24) on “Related Party Disclosures” including modifications or amendments made thereto.

(iii) A person or an entity will also be deemed to be a 'related party', if such person or entity:

- a. forms part of the promoter or promoter group of PLL; or
- b. holds equity shares of twenty per cent¹ or more in PLL, 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;

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

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife;
- (iii) one person is related to the other in the following manner, namely:
 - a. Father including step-father
 - b. Mother including step-mother

¹ Ten per cent, with effect from 1st April, 2023



- c. Son including step-son
 - d. Son's Wife.
 - e. Daughter.
 - f. Daughter's husband
 - g. Brother including step-brother
 - h. Sister including step-sister, or
- (iv) any other person as may be identified by the Board for the purposes of this Policy;

3.13. ***“Related Party Transaction” or “RPT”*** means a transaction involving a transfer of resources, services or obligations between:

- (i) PLL or any of its Subsidiaries on one hand and a Related Party of the PLL or any of its Subsidiaries on the other hand; or
- (ii) PLL 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 PLL or any of its Subsidiaries²;

regardless of whether a 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:

Provided that the following transactions shall not be a Related Party Transaction:

- a. Issue of specified securities on a preferential basis, subject to compliance of the requirements under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018,
- b. Corporate actions uniformly applicable/offered to all shareholders in proportion to their shareholding, like payment of dividend; subdivision or consolidation of securities; issuance of securities by way of a rights issue or a bonus issue; and buy-back of securities;

3.14. ***“SEBI”*** means the Securities and Exchange Board of India established under Section 3 of Securities and Exchange Board of India Act, 1992;

² Sub-clause (ii) of Clause 3.14 shall be effective from 1st April, 2023



3.15. “SEBI Listing Regulations” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

3.16. “Subsidiary Company” or “Subsidiary”, in relation to PLL, as defined under Section 2(87) of the Companies Act, 2013, means a company in which PLL:

- (i) controls the composition of its board of directors; or
- (ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its Subsidiary Companies.

Provided that PLL shall not have more than two layers of Subsidiaries.

Explanation – For the purposes of this clause,

- a. a company shall be deemed to be a Subsidiary Company of PLL even if the control referred to in sub-clause (i) or sub-clause (ii) is of another Subsidiary Company of PLL;
- b. the composition of a company’s board of directors shall be deemed to be controlled by PLL, if PLL by exercise of some power exercisable by it at its discretion, can appoint or remove all or a majority of the directors;
- c. the expression “company” includes any body corporate;

3.17. Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI Listing Regulations, Securities Contract Regulation Act, 1956 or any other applicable laws.

4. GUIDELINES FOR IDENTIFICATION OF RELATED PARTY & RELATED PARTY TRANSACTION
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The following process shall be followed to ensure that all Related Parties are identified in order to obtain the requisite approvals for any transactions with such related parties:

4.1. Every Director and KMP shall, at the beginning of every financial year or whenever there is any change in the disclosures already made, disclose their interest (including interest of their Relatives) in other companies, firms or concerns, and details of their Relatives who may be considered as Related Party under this Policy.



- 4.2. All Directors and KMPs are responsible for declaring to the Compliance Officer of any potential as well as any change in the Related Party Transaction involving him/her or his or her Relative well in advance so that requisite approvals can be taken timely.
- 4.3. Any transaction to be entered into by any department of PLL with the Related Party(s) needs to be reported to the Compliance Officer well in advance for taking the requisite approval. The responsibility of reporting such transaction rests with the heads of the department concerned.

5. APPROVAL OF RELATED PARTY TRANSACTIONS

5.1. By Audit Committee

5.1.1. Transactions requiring approval of Audit Committee:

- (i) All Related Party Transactions and subsequent Material Modifications thereof, where PLL is a party, shall require prior approval of the Audit Committee.
- (ii) In the event Related Party Transaction is entered into in which the Subsidiary of PLL is a party but PLL is not a party, approval of the Audit Committee of PLL shall be required 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 consolidated turnover³, as per the last audited financial statements of PLL.
- (iii) Related Party Transactions entered into between PLL and its wholly owned Subsidiary or two wholly-owned Subsidiaries of PLL, whose accounts are consolidated with PLL and placed before the shareholders at the general meeting for approval, shall not require prior approval of the Audit Committee.

³ Ten per cent of annual standalone turnover, w.e.f. 1st April, 2023



5.1.2. Process of approval by Audit Committee:

- (i) The information as stated in **Appendix-I**, shall be provided to the Audit Committee for review and approval of a Related Party Transaction or subsequent modifications thereof.
- (ii) Only those members of the Audit Committee who are independent Directors and do not have interest in the proposed transaction, shall have the authority to approve the Related Party Transactions.
- (iii) All transactions listed under Section 188(1) of Companies Act, 2013, which are not in the ordinary course of business and/or not on arm's length basis shall be further referred to the Board of Directors for their approval whereas all the Material Related Party Transactions and subsequent Material Modifications thereof, shall be directly referred to the shareholders, on the recommendation of the Board.
- (iv) In case the Audit Committee does not approve any Related Party Transaction, it shall make recommendations to the Board along with justifications/reasons for its disapproval/non-consideration of the transaction.
- (v) The Audit Committee shall review the status of Related Party Transactions including long-term (more than one year) or recurring Related Party Transactions on an annual basis and the deviations from the approvals granted, if any.

5.1.3. Omnibus Approvals:

- (i) The Audit Committee may grant omnibus approval for proposed Related Party Transactions, which are repetitive in nature. However, no omnibus approval can be granted in respect of selling or disposing of the undertaking of PLL and to transactions which are not in ordinary course of business and/or not Arm's Length Transactions.



- (ii) The Audit Committee before granting omnibus approval shall satisfy itself about the need for such omnibus approval and such approval is in the interest of PLL.
- (iii) The Audit Committee shall follow the criteria stated in **Appendix-II**, for granting omnibus approvals under this Policy.
- (iv) Such omnibus approval shall specify:
 - a. the name/s of the Related Party, nature of transaction, period of transaction, maximum amount of transaction that shall be entered into,
 - b. the indicative base price / current contracted price and the formula for variation in the price along with basis of calculation of arm's length price, if any, and
 - c. such other conditions as the Audit Committee may deem fit.
- (v) With respect to Unforeseen Related Party Transactions for which aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per transaction.
- (vi) Omnibus approvals given by the Audit Committee shall be valid for a period not exceeding one year. Fresh approvals will be granted after the expiry of one year.
- (vii) The Audit Committee shall review, on a quarterly basis, the details of RPTs entered into by PLL pursuant to each of the omnibus approval given.
- (viii) The provisions of Clause 5.1.3 herein shall not apply to Related Party Transactions entered into between PLL and its wholly owned Subsidiary or two wholly-owned Subsidiaries of PLL, whose accounts are consolidated with PLL and placed before the shareholders at the general meeting for approval.

5.2. By Board of Directors

- (i) The Board's approval is required for all kinds of transactions listed under Section 188(1) of Companies Act, 2013, entered into by PLL with its



Related Parties, which are not in the ordinary course of business and/or not Arm’s Length Transactions. The agenda of the Board meeting where such transactions are proposed to be approved, shall contain all the details, as stated in **Appendix-III**.

- (ii) The Board shall also consider the proposed Related Party Transactions referred to it by the Audit Committee. Where the Board does not accept any recommendations of the Audit Committee, the same shall be disclosed in the Board’s report along with the reasons thereof.
- (iii) Any member of the Board who is interested in any of the transactions requiring approval under this Clause 5.2, shall not be present at the Board meeting during discussions on the subject matter of the resolution relating to such transaction.

5.3. By the Shareholders

5.3.1. Transactions requiring shareholders’ approval:

- (i) All the Material Related Party Transactions and subsequent Material Modifications thereof, shall require prior approval of shareholders.
- (ii) All kinds of transactions listed under Section 188(1) of Companies Act, 2013 and entered into by PLL with its Related Parties, which require approval of the Board in pursuance of Clause 5.2 of the Policy and exceed the following threshold limit, shall also require the approval of the shareholders:

Transactions listed under Section 188(1) of Companies Act, 2013	Threshold Limits
a. Sale, purchase, or supply of any goods or material, directly or through the appointment of any agent*	10% or more of the turnover of the Company as per the last audited financial statements.
b. Selling or otherwise disposing of or buying property of any kind,	10% or more of the Net Worth of the Company as per the last audited financial statements.



Transactions listed under Section 188(1) of Companies Act, 2013	Threshold Limits
directly or through the appointment of agent*	
c. Leasing of property of any kind*	10% or more of the turnover of the Company as per the last audited financial statements.
d. Availing or rendering of any services, directly or through the appointment of agent*	10% or more of the turnover of the Company as per the last audited financial statements
e. Such Related Party's appointment to any office or place of profit in the Company, its Subsidiary or associate Company	Monthly remuneration exceeding Rs. 2,50,000/-
f. Underwriting the subscription of any securities or derivatives thereof, of the Company	1% of the net worth of the Company as per the last audited financial statements.

** The above limits shall apply for transactions to be entered either individually or taken together with previous transactions during the financial year.*

- (iii) Where Related Party Transactions for which Audit Committee has granted omnibus approval, such transactions shall also be placed before the shareholders if they constitute Material Related Party Transactions. Notwithstanding anything contained in this Clause, in case omnibus approval is granted in an annual general meeting (AGM), it shall be valid till the date of next AGM for a period not exceeding fifteen months. In case omnibus approval is granted in general meeting other than AGM, validity of such omnibus approval shall not exceed one year.
- (iv) Related Party Transactions entered into between PLL and its wholly owned Subsidiary or two wholly-owned Subsidiaries of PLL, whose accounts are consolidated with PLL and placed before the shareholders at the general meeting for approval, shall not require prior approval of the shareholders.

5.3.2. Process of approval by shareholders:



- (i) Transactions requiring prior approval of shareholders under Clause 5.3.1 above, shall be approved in the general meeting by way of an ordinary resolution and no Related Party shall be allowed to vote for the approval of such resolutions, irrespective of the fact that it is a Related Party in that transaction or not.
- (ii) Sufficient details, as stated in **Appendix-IV**, shall be provided to the shareholders for consideration of Related Party Transactions along with the notice of the meeting in which the approval is sought.

Summary of Approval mechanism under this Policy

By Audit Committee

- All RPTs
- Material Modifications in approved RPTs
- Omnibus approval for RPTs

By Board of Directors

- Transactions listed under Section 188(1) of Companies Act, 2013 entered into between PLL and its related parties, which are not on arm's length price and/or not on in the ordinary course of business
- RPTs not approved by the Audit Committee and referred to the Board for consideration.
- Recommendation on RPTs requiring approval of shareholders

By Shareholders

- Material RPTs
- Material Modifications in approved RPTs
- Transactions listed under Section 188(1) of Companies Act, 2013 entered into between PLL and its related parties including RPTs beyond the threshold limit prescribed under Rule 15(3) of the Companies (Meetings of Board and its Power) Rules, 2014
- Omnibus Approval for Material RPTs

6. PARAMETERS FOR CONSIDERATION OF ARM'S LENGTH PRICE

To ensure that the Related Party Transaction is at arm's length price, the following parameters shall be considered:

- (i) Transaction is in line with the principles of the Transfer Pricing Guidelines of the Income Tax Act, 1961,
- (ii) Transaction is as per the market price,
- (iii) Transaction is comparable with third party prices,



- (iv) Any other parameter as PLL may deem fit.

7. RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED

- 7.1. In the event the Company becomes aware of a Related Party Transaction that has not been approved in accordance with this Policy prior to its consummation, the transaction shall be placed as promptly as practicable before the Audit Committee/Board/Shareholders, as applicable, for its review.
- 7.2. The concerned Authority shall consider all relevant facts and circumstances with respect to such transaction and shall evaluate all options available with PLL, including but not limited to ratification, revision, or termination of such transaction, or indemnification and payment of compensation by the Related Party for the loss to the Company or any other action as it deems appropriate under the circumstances.

8. DISCLOSURE REQUIREMENTS

- 8.1. The Company shall ensure that timely disclosures of Related Parties and Related Party Transactions are made in the Board report (*see Appendix-V*) and in the financial statements, in accordance with the applicable laws.
- 8.2. The Company shall also submit the disclosures of Related Party Transactions to the stock exchanges where securities of PLL are listed in the format provided in **Appendix-VI**, within prescribed timelines and publish them on PLL's official website.

9. LIABILITY ON VIOLATION

- 9.1. Any person(s) violating the provisions of this Policy shall be liable for indemnification of the loss incurred to PLL; for disciplinary action in terms of the applicable policy of PLL in this regard; and any further appropriate/suitable legal action by PLL in accordance with the provisions of the applicable laws depending on the gravity of the violation.



- 9.2. The action by PLL in Clause 9.1 of this Policy, shall not preclude SEBI, stock exchange(s) where the securities of PLL are listed or any other regulatory Authority from initiating any action against any person for violation of this Policy, relevant provisions of SEBI Listing Regulations or any other provision of the applicable laws.

10. INTERPRETATION OF THE CODE

- 10.1. The Compliance Officer/Company Secretary of PLL shall have the authority to interpret any provision of this Policy.
- 10.2. In case of any difficulty in interpretation of any provision of this Policy, the matter may be referred to the Board by the Company Secretary of PLL through the Managing Director & Chief Executive Officer.

11. REVIEW & AMENDMENT/MODIFICATION

- 11.1. This Policy shall be reviewed by the Board of Directors at least once in every three years.
- 11.2. Any amendment/modification to the SEBI Listing Regulations, or any other applicable law having an impact on the provisions of this Policy, shall mutatis mutandis be applicable and as a consequence the relevant provisions shall stand amended or modified to that extent without any further approval from the Board. Such amendment/modification shall be effected in the existing Policy by the Compliance Officer/Company Secretary with the approval of Managing Director & Chief Executive Officer. The said amendment/modification shall be ratified by the Board at the time of review of the Policy.



Appendix-I

INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE

[See Clause 5.1.2 (i)]

The Audit Committee shall be provided with the following information for review and approval of a proposed Related Party Transaction:

1. Type, material terms and particulars of the proposed transaction;
2. Name of the Related Party and its relationship with PLL or its Subsidiary, including nature of its concern or interest (financial or otherwise);
3. Tenure of the proposed transaction;
4. Value of the proposed transaction;
5. The percentage of the PLL's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a Related Party Transaction involving a Subsidiary, such percentage is calculated on the basis of the Subsidiary's annual turnover on a standalone basis shall be additionally provided);
6. 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,
 - (iii) nature of indebtedness;
 - (iv) cost of funds; and
 - (v) tenure;
 - (vi) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - (vii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the Related Party Transaction.
7. Justification as to why the Related Party Transaction is in the interest of PLL;
8. A copy of the valuation or other external party report, if any such report has been relied upon;
9. Certification from Finance Department for justification of arm's length price;



10. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed Related Party Transaction on a voluntary basis;
11. Any other information that Audit Committee may deem fit.



Appendix-II

CRITERIA TO BE FOLLOWED BY THE AUDIT COMMITTEE FOR GRANTING OMNIBUS APPROVALS

[See Clause 5.1.3(iii)]

1. Maximum value of the Related Party Transactions under the omnibus route in a year, in aggregate, shall not exceed the amount as specified under Clause 3.9(ii) of this Policy.
2. The maximum value per transaction shall be less than/equal to the amount as specified under Clause 3.9(ii) of this Policy.
3. The following disclosures shall be made to the Audit Committee at the time of seeking omnibus approval:
 - (i) Type, material terms, particulars and tenure of the proposed transactions;
 - (ii) Name of the Related Party and its relationship with PLL or its Subsidiary, including nature of its concern or interest (financial or otherwise);
 - (iii) Tenure of the proposed transaction;
 - (iv) Value of the proposed transaction;
 - (v) The percentage of the PLL's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a Related Party Transaction involving a Subsidiary, such percentage is calculated on the basis of the Subsidiary's annual turnover on a standalone basis shall be additionally provided);
 - (vi) If transactions relate to any loans, inter-corporate deposits, advances or investments made or given by the Company or its Subsidiary, then the Audit Committee shall consider the details mentioned in Clause 6 of Appendix-III above;
 - (vii) Justification as to why Related Party Transaction 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) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed Related Party Transaction on a voluntary basis.
4. Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by PLL pursuant to each of the omnibus approval.
5. The following transactions shall not be considered for omnibus approval:
 - (i) which are in respect of selling or disposing of the undertaking of PLL,



- (ii) which are not in the ordinary course of business and /or not Arm's Length Transactions.
- 6. Any other criteria, as approved by the Board of Directors of PLL, based on its repetitive nature and the best interest of PLL.



Appendix-III

INFORMATION TO BE PROVIDED IN THE AGENDA OF BOARD MEETING

[See Clause 5.2(i)]

The following details shall be included in the agenda of the Board meeting where the transactions listed under Section 188(1) of Companies Act, 2013, are proposed to be entered into with the Related Parties:

1. The name of the Related Party and nature of relationship;
2. The nature, duration of the contract and particulars of the transactions with the Related Parties;
3. The material terms of the transactions with the Related Parties including the value, if any;
4. Justification as to why Related Party Transaction is in the interest of the Company;
5. Any advance paid or received for the Related Party Transaction, if any;
6. The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
7. Whether all factors relevant to the transaction have been considered, if not, the details of factors not considered with the rationale for not considering those factors;
8. All information provided to the Audit Committee as per Appendix-I; and
9. Any other information relevant or important for the Board to take a decision on the proposed transaction.



Appendix-IV

INFORMATION TO BE PROVIDED TO THE SHAREHOLDERS

[See Clause 5.3.2(ii)]

The following details shall be provided to the shareholders along with the notice of the meeting in which the approval for Material Related Party Transaction is sought:

1. A summary of the information provided by the management of PLL to the Audit Committee regarding the proposed Related Party Transaction;
2. Justification for why the proposed transaction is in the interest of PLL;
3. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by PLL 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,
 - (iii) nature of indebtedness;
 - (iv) cost of funds; and
 - (v) tenure;
 - (vi) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - (vii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the Related Party Transaction.
4. A statement that the valuation or other external report, if any, relied upon by PLL in relation to the proposed transaction will be made available through the registered email address of the shareholders;
5. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed Related Party Transaction, on a voluntary basis;
6. Any other information that may be relevant so as to enable the shareholders to take an informed decision.



Appendix-V

FORM FOR DISCLOSURE OF PARTICULARS OF TRANSACTIONS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES LISTED IN SECTION 188(1) OF THE COMPANIES ACT, 2013

[See Clause 8.1]

- (1) Details of the Related Party Transactions not at arm's length basis**
 - a. Name(s) of the Related Party and nature of relationship
 - b. Nature of transactions
 - c. Duration of the transactions
 - d. Salient terms of the transactions including the value, if any
 - e. Justification for entering into transactions
 - f. Date(s) of approval by the Board
 - g. Amount paid as advances, if any
 - h. Date of approval by the shareholders, if any

- (2) Details of Material Related Party Transactions at arm's length basis**
 - a. Name(s) of the Related Party and nature of relationship
 - b. Nature of transactions
 - c. Duration of the transactions
 - d. Salient terms of the transactions including the value, if any
 - e. Date(s) of approval by the Board, if any
 - f. Amount paid as advances, if any

- (3) Form shall be signed by the persons who have signed the Board's report.**



Appendix-VI

DISCLOSURE OF RELATED PARTY TRANSACTIONS TO THE STOCK EXCHANGES

[See Clause 8.2]

										Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.								
S. No.	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
Total																		

Notes:

1. The details in this format are required to be provided for all transactions undertaken during the reporting period. However, opening and closing



balances, including commitments, to be disclosed for existing Related Party Transactions even if there is no new Related Party Transaction during the reporting period.

2. Where a transaction is undertaken between PLL and its Subsidiary or between Subsidiaries, it may be reported once.