

John Oakey and Mohan Limited

Regd. Off:-OfficeNo-4FF, CSC, Pocket E, Market Mayur Vihar Phase-II, Delhi- 110091

Policy on Materiality of Related Party Transactions (RPTs) and dealing with RPTs

1) Introduction

In terms of Regulation 23 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also provisions of the Companies Act, 2013.

This Policy deals with Materiality of Related Party Transactions (RPTs) and dealing with the Related Party Transactions in terms of the Regulation 23 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) and the Companies Act, 2013

2) Definition

- a) "Associate Company", in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.
- b) "Audit Committee or Committee" means "Audit Committee" constituted by the Board of Directors of the Company, from time to time, under provisions of the Companies Act 2013, and the Regulations.
- c) "Board of Director" or "Board" means the Board of Directors of John Oakey and Mohan Limited, as constituted from time to time.
- d) "Company" means John Oakey and Mohan Limited.
- e) "Independent Director" means a director of the Company, as appointed in terms of Section 149 of the Companies Act 2013, and who also qualifies as Independent Director in terms of the Regulations.
- f) "Key Managerial Personnel" in relation to a company, means—
 - The Chief Executive Officer or the Managing Director or the Manager;
 - The Company Secretary;
 - The Whole-time Director;
 - The Chief Financial Officer; and
 - Such other officer of the Company as may be prescribed by the Ministry of Corporate Affairs (MCA) from time to time.

3) Terms and References

This policy sets definition of materiality of related party transactions, definition of material modification in related party transactions and dealing with related party transactions.

(i) Related Party Transaction

- a) Related Party Transaction: - "Related Party Transaction" means related party transaction as defined under Regulation 2(1) (zc) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").
- b) Related Party Transaction(s) of the Company- Related Party Transaction(s) where the Company is a party to the transaction(s) /contract(s) / arrangement(s) with a related party.
- c) Materiality of Related Party Transaction(s): -Contracts / arrangements with a related party shall be considered as material related party contracts / arrangements if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year under such contracts /arrangements exceed ten percent of the annual turnover of the Company as per the last audited financial statement or such sum or limit as may be prescribed under the Listing Regulations.
- d) Material Modifications:- Material modifications in relation to the Related Party Transaction(s) shall mean any change / variation / modification in an existing related party transaction / contract /arrangement, the financial effect of which is an increase in the per annum value of the relevant related party transaction / contract / arrangement by 10% of the annual turnover of the Company as per the last audited financial statement or such sum or limit as may be prescribed under the Listing Regulations.
- e) Subsidiary-"Subsidiary" means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013 ('Act').

All other terms and references used but not defined herein shall have the same meaning as is assigned to them under the Act, the Listing Regulations and rules, regulations, notifications and circulars issued thereunder.

4) Policy

- a) All Related Party Transaction(s) shall be entered on arms' length basis.
- b) In exceptional circumstances, where permitted by law, Related Party Transaction(s) of the Company may deviate from the principle of arm's length, after obtaining approval from Audit Committee and the Board of Directors, as the case may be.

- c) All Related Party Transaction(s) of the Company shall be in compliance with the provisions of the Act, the Listing Regulations and the applicable Accounting Standards, as amended from time to time.
 - d) All domestic related party contracts / arrangements shall, wherever applicable, comply with Domestic Transfer Pricing Requirement under section 92BA of the Income Tax Act, 1961, including certification from independent accountants under the Transfer Pricing Regulations.
 - e) All international related party contract / arrangements shall comply with International Transfer Pricing Requirement under section 92B of the Income Tax Act, 1961 including certification from independent accountants under the Transfer Pricing Regulations.
- 5) Approval
- a) All Related Party Transaction(s) of the Company and subsequent Material Modifications thereto, shall require prior approval of the Audit Committee or the Board of Directors or the Shareholders of the Company, as the case may be, as required under and subject to the Act and the Listing Regulations.
 - b) All Related Party Transaction(s) of the Subsidiary exceeding the threshold of material related party transactions as specified in Regulation 23 of the Listing Regulations and subsequent Material Modifications thereto, shall require prior approval of the Audit Committee or the Shareholders of the Company, as the case may be.
- 6) Amendments
- Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act / Rules / Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy.
- 7) Review
- This Policy will be reviewed as and when required but at least once in three years.