

## POLICY ON RELATED PARTY TRANSACTIONS (RPT)

### *Objective*

The objective of this policy is to define the approval mechanism and reporting of transactions between the Company and its related parties (Related Parties listed in Annexure) in accordance with the law.

### *Definitions*

- 1. Related Party Transactions (RPT):** shall mean as specified under SEBI LODR Regulations and the Companies Act, 2013 as amended save as otherwise provided under the law.
- 2. Material related party transactions:** In accordance with SEBI (LODR), Regulations,
  - Any related party transaction / transactions, to be entered into individually or taken together with previous transactions during a financial year, which exceeds Rs 1000 Cr or 10% of the annual consolidated turnover of the Company whichever is lower as per the last audited financial statements of the company;
  - Notwithstanding the above, a transaction involving payments made to related party with respect to brand usage or royalty shall be considered material, if the transactions to be entered into individually or taken together with the previous transactions during a financial year exceeds 5% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.
- 3. Material Modification:**

Modification of any key terms and conditions relating to an existing related party transaction having variance by 20% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be
- 4. Arm's length transaction means:** any transaction between unrelated parties and there is no conflict of interest.
- 5. Related Party, Relatives and KMPs means:** as defined in SEBI Regulations, the Companies act, 2013 and the applicable Accounting Standards as amended from time to time.
- 6. Subsidiary Company means:** The term Subsidiary Company shall have the same meaning as specified under Companies Act, 2013 read with related rules issued thereon including any statutory modification and amendment thereof as may be issued from time to time.

## POLICY ON RELATED PARTY TRANSACTIONS (RPT)

### *Policy and Procedure for RPTs*

Approval mechanism and disclosure requirements for the transactions which are Arm's length and not at Arm's length transaction and also not in the ordinary course of business and ratification of RPTs, if any, shall be in accordance with applicable provisions of law.

The Board of **Suven Pharmaceuticals Limited** recognizes the following transactions as Related Party Transactions:

- a) Sale, purchase or supply of any goods or material
- 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 agents for
- f) Purchase or sale of goods, materials, services or property;
- g) Related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; or
- h) Underwriting the subscription of any shares in or derivatives thereof.

**Omnibus Approval** - Audit Committee may grant omnibus approval for Related Party Transactions provided it is satisfied that there is a need to grant such approval in the interest of the Company and the proposed transaction is repetitive in nature and necessary details are provided to the Audit Committee. Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given. Further, such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

### ***Disclosures***

- Details of all material Related Party Transaction to be disclosed quarterly along with the compliance report on corporate governance
- Policy on dealing with Related Party Transaction to be disclosed on the Company's website and Annual Report

### **Amendments & Review**

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. This Policy will be reviewed as and when required but atleast once in three years.

*This Policy was approved by the Board of Directors at its Meeting held on March 23, 2020, and reviewed and modified on February 08, 2022*

## POLICY ON RELATED PARTY TRANSACTIONS (RPT)

### Related Party, Relatives and KMPs List – Annexure

"**Related Party**" means related party as defined in SEBI LODR Regulations which is as follows:

In accordance with Regulation 2(1) (zb) of SEBI (LODR) including any statutory modification, amendment thereof as may be issued from time to time, an entity shall be considered as related party to the Company if:

- (i). Such entity is a related party under Section 2(76) of the Companies Act, 2013; or
- (ii). Such entity is a related party under the applicable Accounting Standards.

In accordance with Section 2(76) of the Companies Act, 2013, Related Party in relation to a company means:

- (i). A director or his relative;
- (ii). A key managerial personnel or his relative;
- (iii). A firm, in which a director, manager or his relative is a partner;
- (iv). A private company in which a director or manager or relative is a member or director;
- (v). A public company in which a director or manager is a director and holds along with his relatives, more than two per cent. of its paid-up share capital;
- (vi). Anybody 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;
- (vii). Any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party. Revised to 10% holdings in listed entity w.e.f. 1<sup>st</sup> April, 2023.

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

## POLICY ON RELATED PARTY TRANSACTIONS (RPT)

- (viii). Any company 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;
  
- (ix). A Director (other than Independent Director) or KMP of the holding company of such company or his relative.

**Relatives** - In accordance with Section 2 (77) of the Companies Act, 2013 read with related rules issued thereon including any statutory modification, amendment thereof as may be issued from time to time, 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; or
- (iii). a person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-
  - (a). Father: Provided that the term “Father” includes step-father.
  - (b). Mother: Provided that the term “Mother” includes the step-mother.
  - (c). Son: Provided that the term “Son” includes the step-son.
  - (d). Son’s wife.
  - (e). Daughter.
  - (f). Daughter’s husband.
  - (g). Brother: Provided that the term “Brother” includes the step-brother;
  - (h). Sister: Provided that the term “Sister” includes the step-sister;

**Key Managerial Personnel’s (KMPs)** - in relation to a company, 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; and
- (v). Such other officer as may be prescribed under Companies Act, 2013.