



MBI INTERCORP LIMITED

RELATED PARTY TRANSACTION POLICY

1. Preamble:

The Board of Directors (the "Board") of MBI Intercorp Limited (the "Company") has adopted the following policy and procedures with regard to Related Party Transactions as defined below. The Audit Committee will review and may amend this policy from time to time. This policy will be applicable to the Company. This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable on the Company.

2. Purpose:

This policy is framed as per requirement of Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges and 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 shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

3. Definitions:

"Audit Committee or Committee" means Committee of Board of Directors of the Company constituted under provisions of Listing agreement and Companies Act, 2013.

"Board" means Board of Directors of the Company "Control" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

"Key Managerial Personnel" means key managerial personnel as defined under the Companies Act, 2013 and includes (i) Managing Director, or Chief Executive Officer or manager and in their absence, a whole time director; (ii) Company Secretary; and (iii) Chief Financial Officer

"Material Related Party Transaction" means a transaction with a related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the Company.



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"Related Party" means related party as defined in Clause 49 of the Listing Agreement which is as follows: An entity shall be considered as related 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.

Related Party Transaction

Under Clause 49 (VII)(A) of the Listing Agreement "related party transaction" means transfer of resources , services or obligations between a company and a related party, regardless of whether price is charged but shall not include reimbursement of any expense incurred in the ordinary course of business.

A **"transaction"** with a related party shall be construed to include single transaction or a group of transactions in a contract."

4. All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.
 - i. Identification of Potential Related Party Transactions: Each director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy. The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.
 - ii. Prohibitions related to Related Party Transactions All Related Party Transactions shall require prior approval of the Audit Committee. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company subject to the following conditions:
 - a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.



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- b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- c) Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) 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 Transaction cannot be foreseen and aforesaid details are not available,

Further, all Material Related Party Transactions shall require approval of the shareholders through special resolution and all entities falling under the definition of Related Parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not..