

POLICY ON RELATED PARTY TRANSACTIONS

PURPOSE OF THIS POLICY

- A. Moneyplus Financial Services Limited ("Moneyplus" or "Company") is governed, amongst others, by the Rules and regulations framed by Securities Exchange Board Of India ("SEBI"). Accordingly, regulation 23(1) of SEBI Listing Regulations requires a company to formulate a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions.
- B. Accordingly, the company has formulated this policy (Policy) on materiality of Related Party Transactions and on dealing with Related Party Transactions. This Policy regulates all transactions between the company and its related parties (as defined below).
- C. A transaction with a Related Party shall be considered material if the transaction (s) 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. Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.
- D. The Board of Directors of the Company ("Board") on recommendation of the Audit Committee of the Company ("Audit Committee") shall review the Policy and amend the same from time to time.

DEFINITIONS

All terms used in this Policy will have the meanings as assigned to them under the Act and the Rules made thereunder, SEBI Listing Regulations and applicable Accounting Standards, as amended from time to time.

MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

a) Identification of related parties:

The Company has formulated a Framework for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under, Regulation 2(1)(zb) of the SEBI Listing Regulations and applicable Accounting Standards, as amended from time to time.

b) Identification of related party transactions:

The Company has formulated a Framework for identification of related party transactions in accordance with Section 188 of the Act and Rules framed thereunder, and Regulation 2(1)(zc) of the SEBI Listing Regulations. The Company has also formulated a Framework for determining whether the transaction is in the ordinary course of business and at arm's

length basis and for this purpose, the Company may seek external professional opinion, if necessary.

c) Review and approval of Related Party Transaction:

Approval of Related Party Transactions

➤ **Audit Committee**

- All the transactions which are identified as Related Party Transactions should be preapproved by the Audit Committee before entering into such transaction. The Audit Committee shall consider all relevant factors while deliberating the Related Party Transactions for its approval.
- Any member of the Audit Committee who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party transaction. A Related Party Transaction which is (i) not in the ordinary course of business, or (ii) not at arm's length price, would require approval of the Board or of shareholders as discussed subsequently.
- A Related Party Transaction which is (i) in the ordinary course of business, or (ii) at arm's length price, would not require pre-approval and approval of the Audit Committee and Board respectively.
- The Audit Committee may grant omnibus approval for Related Party Transactions which are repetitive in nature and subject to such criteria/conditions as mentioned under Regulation 23(3) of the Listing Regulations and such other conditions as it may consider necessary in line with this Policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.
- The Audit Committee shall review the details of Related Party Transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.
- A Related Party Transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Audit Committee, will be placed before the Audit Committee for ratification.

➤ **Board of Directors**

- In case any Related Party Transactions are referred by the Company to the Board for its approval due to the transaction being
 - (i) not in the ordinary course of business, or
 - (ii) not at an arm's length price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

➤ **Shareholders**

- In case any Related Party Transactions are referred by the Company to the Board for its approval due to the transaction being
 - (i) not in the ordinary course of business, or
 - (ii) not at an arm's length price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

➤ **Reporting of Related Party Transactions**

- Every contract or arrangement, which is required to be approved by the Board or the shareholders under this Policy, shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.
- The details of all material transactions with related parties shall be disclosed along with the compliance report on corporate governance filed with the stock exchanges under Listing Regulations.

LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.