



GLOBUS SPIRITS LIMITED

Policy
On
Related Party Transactions

(Materiality & Dealings)

www.globusspirits.com

INTRODUCTION

A related party transaction is a transfer of resource, services or obligations between a company and a related party, regardless of whether a price is charged.

The Board of Directors of **GLOBUS SPIRITS LIMITED** has adopted this policy pursuant to the provisions of Companies Act, 2013(hereinafter referred as the Act) read with applicable rules, Listing Agreement as applicable since October 01, 2014 or any other law for the time being in force.

DEFINITIONS

‘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.

‘Material related party transaction’ shall have the same meaning as stated in Clause 49 of Listing Agreement.

‘Relative’ in respect of related party transactions shall have the same meaning as defined in Section 2(77) of the Act.

‘Related party’ shall have the same meaning as assigned to it in Section 2(76) of the Act.

‘Related party transactions include all contracts, agreements or any other transactions as explained in Section 188 of the Act or Clause 49 of Listing agreement, between Globus Spirits Limited and any of the related party(ies).

'The Act' means the Companies Act, 2013

OBJECTIVE

This Policy is laid down in order to specify guidelines while carrying on transaction with a related party(ies).

These guidelines shall help in identifying related party transactions and the potential conflict of interest involved in it. The conflict may be against the better interest of Company or its shareholders.

The Policy shall also help in determining the materiality of the related party transactions. Through the policy, the board shall ensure that the related party transactions as proposed or being carried on, are in compliance with the provisions of the applicable laws.

PROCESS OF DEALING RELATED PARTY TRANSACTIONS

The process to be followed while dealing with related party transactions at Globus Spirits Limited is as following:

1. Identification of Related Party(ies): It should be ensured before carrying out any transaction whether the Party(ies) involved is related or not.

2. Materiality of the transaction: The amount involved in a related party transaction should be checked with the threshold limits as specified in the Act and Listing Agreement for the purpose of classification as material related party transaction.
3. The transaction, before it is carried out, should be referred to Audit Committee for its prior recommendations and approval.
4. All the legal compliances as per the Act, Listing Agreement or any other applicable law should be followed as per the procedure laid down under the act and the rules made thereunder.
5. Shareholders' approval shall be taken wherever required under the Act and the rules made thereunder by passing necessary resolution.

DISCLOSURES

The Company shall disclose the related party transactions carried out in the Board's Report as prescribed in the Act which are not in ordinary course of business or arm's length basis along with the justification to enter into such transaction.

Apart from this the company shall also disclose the related party transactions which are material as per the Listing Agreement, to the stock exchanges.

DEVIATION FROM THE POLICY

In case of any deviance from the policy while carrying out a related party transaction, the matter shall be taken to Audit Committee for subsequent ratification. If the Audit Committee find the terms of transaction against the interests of the company or the applicable laws, the related party transaction shall be treated as void-ab-intio.

REVIEW

The Board of Directors of Globus Spirits Limited may review this policy from time to time in order to comply with the amendment in applicable laws, if any or otherwise as it may deem fit.