



# **GOODLUCK INDIA LIMITED**

## ***RELATED PARTY TRANSACTION POLICY***

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## GOODLUCK INDIA LIMITED

### POLICY ON RELATED PARTY TRANSACTION

#### 1. INTRODUCTION

The Board of Directors (the “Board”) of Goodluck India Limited (the “Company”), recognizes that certain relationships can present potential or actual conflicts to interest and may raise questions about whether transactions associated with such relationships are consistent with Company’s and its stakeholders’ best interest. The Company must specifically ensure that certain transactions are effected and disclosed in accordance with strict legal and accounting standard to which it is subject. This policy regarding review and approval of related Party transactions has been adopted by the Company’s Board of Directors in order to set forth the procedures under which certain transactions must be reviewed and approved or ratified by the Audit Committee.

#### 2. PURPOSE

This policy is framed as per requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) and is intended to ensure proper approval and reporting of transactions between the Company and its Related Parties. 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. APPLICABILITY

This Policy will be applicable to the Company to regulate transactions between the Company and its related Parties based on the applicable laws and regulations.

#### 4. DEFINITIONS

**“Act”** shall mean the Companies Act, 2013 and the rules framed there under, including any modifications, amendments, clarifications circulars or re-enactment thereof.

**“Arms Length basis”** means a transactions between two related parties that is conducted as if they were unrelated, so there is no conflict of interest. For determining of Arm’s length basis, guidance may be taken from the provisions of Transfer Pricing under the Income Tax Act, 1961.

**“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.

**“Policy”** means Related Party Transaction Policy.

**“Related Party”** means related party as defined in the regulation 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.
- (iii) 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"

**“Relative”** with reference to any person, means anyone who is related to another, if- i) They are the members of a Hindu Undivided Family; ii) They are husband and wife; or iii) One person is related to other person as:

- a) Father (including step-father). b) Mother (including step-mother). c) Son (including step-son). d) Son’s wife. e) Daughter. f) Daughter’s husband.g) Brother (including step-brother); h) Sister (including step-sister).

**“Related Party Transaction”** means any transaction directly or indirectly with any Related Party involving a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged. A “transaction” with a related party shall be construed to include single transaction or a group of transactions in a contract.

## 5. POLICY

All Related Party transactions will be referred /reported to Audit Committee for approval by the Committee in accordance with this Policy.

## **6. IDENTIFICATION OF THE POTENTIAL RELATED PARTY TRANSACTION**

All the Companies which are directly or indirectly related to the Goodluck India Limited will be considered as Related Parties. The Company shall also identify related Party Transactions with Directors/Key Managerial Personnel or with their relatives.

Each director/Key Managerial Personnel is responsible for providing written notice to the Company Secretary of any potential Related Party Transaction involving him or her or his or her relatives.

## **7. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS**

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. In determining whether to approve a Related Party Transaction, the Committee will consider the factor that whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party, among others, to the extent relevant to the Related Party Transaction.

The Company shall not enter into any contract or arrangement with a Related Party without the approval of the Audit Committee. Prior approval of the Audit Committee shall be obtained for all Related Party Transactions other than those with Exempted Wholly Owned Subsidiaries (whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval).

The Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following conditions:

- i. The name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into be specified;
- ii. The indicative base price / current contracted price and the formula for variation in the price, if any be specified;
- iii. Such other conditions as the Audit Committee may deem fit.

Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year. Where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant

omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.

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. In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm's length, the Company shall comply with the Regulations, the Companies Act 2013 and the Rules framed thereunder (including obtaining approval of the Board and/ or its shareholders, as applicable, for such contract or arrangement. All material related party transactions, other than those with exempted Wholly Owned Subsidiaries will be placed for approval of the shareholders of the Company and the related parties shall abstain from voting on such resolutions. The interested Directors shall also not be eligible to participate in the discussion and voting on the related party transactions in terms of section 184 of the Companies Act, 2013.

## **8. DISCLOSURES**

The Company is required to disclose Related Party Transactions in the Company's Board's Report to shareholders of the Company. Details of all Material Related Party Transactions shall be disclosed quarterly along with Company's Compliance Report on Corporate Governance, in accordance with the Listing Agreement. This Policy will be disclosed/ hosted on Company's website and a web link there to shall be provided in the Annual Report of the Company.

## **9. AMENDMENT**

The Company reserves the right to amend or modify this Policy in whole or in part, at any point of time.

**Note:** The provisions of the Companies Act, 2013 and rules thereto and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment thereto from time to time) to the extent applicable, shall be apply in addition to this policy. \*\*\*