



Regd Office :21-D1.,Peenya Industrial Area,2nd Phase,Bangalore-560 058.

Tel: 080 - 23724477

Mumbai Office: 503/504, Raheja Chambers, Nariman Point, Mumbai – 400021

E-Mail : info@electrexindia.com www.electrexindia.com

RELATED PARTY TRANSACTIONS POLICY

1. Introduction

This Policy has been framed by the Company pursuant to Clause 49(VII) of the Listing Agreement which came into effect from October 1, 2014. This Policy applies to transactions entered into with a Related Party on or after October 1, 2014, or any modifications effected on or after October 1, 2014 to subsisting transactions with Related Parties.

2. Definitions

- (a) "Act" means Companies Act, 2013 including any statutory modifications or re-enactments thereof;
- (b) "Board" means Board of Directors of the Company;
- (c) "Related Party" with reference to the company, means an entity where:
 - (i) Such entity is a related party as defined under section 2(76) of the Companies Act, 2013; or
 - (ii) Such entity is a related party under the applicable accounting standards.
- (d) "Related Party Transaction" means a transaction between the company and a Related Party which transaction is of the nature specified in sub-clause (a) to (g) of section 188(1) of the Companies Act, 2013, or is a related party transaction as understood under Clause 49(VII)(a) of the Listing Agreement.

3. Transactions between Company & Related Parties & Materiality Threshold

Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provisions of the Companies Act, 2013 and of Clause 49(VII) of the Listing Agreement.

A transaction with the Related Party shall be treated as "material" if the transaction / transactions to be entered into individually or taken together with previous transaction(s) during a financial year with such Related Party exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company.

4. Internal Processes in regard to Related Party Transactions

The Company shall, with the approval of the Board of Directors, establish appropriate internal processes for the purpose of identification of Related Parties and any transactions with them, determination of whether the transaction(s) is in ordinary course of business, whether the transaction(s) is on an arm's length basis, monitoring "materiality" threshold, and other relevant matters to ensure adherence to this policy in entering into transactions with Related Parties.

5. Amendment

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Listing Agreement, Act or any law for the time being in force.