



AMINES & PLASTICIZERS LIMITED

POLICY ON RELATED PARTY TRANSACTIONS.

PREAMBLE

The Board of Directors (the "Board") of Amines & Plasticizers Limited (the "Company"), has adopted the following policy and procedures with regard to Related Party Transactions as defined below, in compliance with requirements of section 188 of the Companies Act, 2013 read with rules made thereunder, and any subsequent amendments thereto and Listing Agreement with the Stock Exchange .

PURPOSE

This policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable on the Company.

DEFINITIONS:

"Act" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

"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. For determination of Arm's Length basis, guidance may be taken from provisions of Transfer Pricing under Income Tax Act, 1961.

"Audit Committee or Committee" means "Audit Committee" constituted by the Board of Directors of the Company under provisions of Equity Listing Agreement and Act, from time to time.



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“Associate Company” means any other Company, in which the Company has a significant influence, but which is not a Subsidiary Company of the Company having such influence and includes a joint venture company.

Explanation – For the purpose of this clause, “significant influence” means control of at least twenty per cent of total share capital, or business decisions under and agreement.

“Board of Directors” or “Board” means the Board of Directors of the Company, as constituted from time to time. “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 of the Company in terms of the Act and the Rules made thereunder.

“Material Related Party Transaction” means transaction/transactions with the related party 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 an entity which –

- a) is a related party under Section 2(76) of the Act, and the rules framed thereunder;
- b) is a related party under the applicable accounting standards.



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“Related Party Transaction or transaction” means transaction in the nature of contract involving transfer of resources, services or obligations between the Company and the Related Party, regardless of whether a price is charged. Explanation – A “transaction” with a Related Party shall be construed to include single or a group of transactions in a contract.

APPROVAL OF RELATED PARTY TRANSACTIONS:

Every Related Party Transaction entered into with effect from 1st January, 2015 shall be subject to approval of the Audit Committee. The approval of the Audit Committee can be granted by way of a circular resolution. 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.
- 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;



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Provided that 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. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

The Board shall approve such Related Party Transactions as are required to be approved under Companies Act, 2013 and/or listing agreement and/or transactions referred to it by the Audit Committee.

Where any director is interested in any Related Party Transaction, such director will abstain from discussion and voting on the subject matter of the resolution relating to such Transaction.

Further, all Material Related Party Transactions shall require approval of shareholders of the Company through special resolution (unless it is exempted pursuant to the provisions of listing agreement) and the Related Parties shall abstain from voting on such resolution(s).

All Related Party Transactions (other than Material Related Party Transactions) pursuant to section 188 of the Companies Act, 2013 which are not in the ordinary course of business or not an Arms' length transaction and cross the threshold limits prescribed under Companies Act, 2013 shall also require the approval of shareholders of the Company through special resolution and the Related Parties shall abstain from voting on such resolution(s).

The approval mechanism for Related Party Transactions shall be as stipulated in the provisions of listing agreement and/or Companies Act, 2013 and as amended from time to time.



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AMENDMENTS:

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

INTERPRETATION:

a) Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, Listing Agreement, Accounting Standards or any other relevant legislation / law applicable to the Company.

b) In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Audit Committee and the decision of the Audit Committee in such a case shall be final. In interpreting such term / provision, the Audit Committee may seek the help of any of the officers of the Company or an outside expert as it deems fit.