

SATHAVAHANA ISPAT LIMITED, HYDERABAD, INDIA

POLICY ON RELATED PARTY CONTRACTS OR ARRANGMENTS

The contracts or arrangements or transaction between the Company and the related parties shall have to be carried with due approvals and process so as to make them transparent, at arm's length price; avoid potential conflict of interest and meet the regulatory provisions and applicable laws.

Related party or Relative shall mean and include the persons as specified in Section 2(76) and 2(77) of the Companies Act 2013 as amended and as provided in the Regulation 23 of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015, for the purposes recognising contracts or arrangements or transactions between the Company and the said Related Party or Relative.

Contracts or arrangements or transaction for this policy shall be those transactions as enlisted in Section 188 of the Companies Act 2013 as amended.

Contracts or arrangements or transactions entered into in the ordinary course of business at arm's length price shall be treated as Material Related Party Transactions. Contracts or arrangements or transactions whose value exceeds 10% of aggregate turnover of Company as per the last Audited Balance Sheet on individual basis shall be treated as Material Related Party Transactions.

All such Related Party contracts or arrangements or transactions either on individual basis or on omnibus basis shall have to be referred to Audit Committee of the Board and after their approval the same shall have to be referred to Board of Directors for their approval before being formalised. Materially Related Party Transactions shall have to be formalised only after approval of Shareholders by Special Resolution at the general meetings.
