

VINYL CHEMICALS (INDIA) LIMITED

COMPANY'S POLICY ON RELATED PARTY TRANSACTIONS

(As approved by the Board of Directors of the Company at its Meeting held on 22nd January, 2019 and amended at the Board Meeting held on 22nd March, 2022)

- A. The Company shall enter into transactions with related parties only if such transactions are:
 - (a) Entered into by the Company in its ordinary course of business and on an arm's length basis;
 - (b) Duly approved by the audit committee
- B. In cases where the transactions are material in value in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Company shall enter into transactions with related parties only if such transactions are duly approved by the shareholders.
- C. In cases where the transactions are not in the ordinary course of the Company's business, the Company shall enter into transactions with related parties only if such transactions are duly approved by the Board of Directors in a meeting and pre- approved by the shareholders by a Special Resolution.

For the above purpose, transactions with related parties shall be identified based on the definition of Related Party Transactions as given in Section 2(76) of the Companies Act, 2013 read with Rule 3 of the Companies (Specification of definitions details) Rules, 2014 and also as given in LODR.

For the above purpose, Material Modifications shall mean any variation which has an impact on the monetary limits already approved by the Audit Committee or shareholders of the Company, as the case may be, exceeding 20% (increase) in value of the transactions, in each case, over and above the previously approved Related Party Transactions limits.

In determining whether the transaction is "material" or not, regard shall be had to the requirements of Regulation 23 of the LODR.

The Audit Committee shall formulate and adopt adequate rules and shall assign responsibilities to the senior executives of the Company so as to ensure compliance with this Policy.