

Policy on related party transactions

1. Introduction

The Board of Directors (the 'Board') of B&A Ltd (the 'Company') has adopted the following policy and procedures with regard to Related Party Transactions as defined below. The Board of Directors shall review and amend this policy from time to time as prescribed.

The policy will be applicable to the Company effective from 1st March 2019. This policy is aimed at to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable to the Company and also provides for materiality of Related Party Transactions.

2. Purpose

This policy is framed based on SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and primarily intended to ensure the governance and reporting of transactions between the Company and its Related Party.

3. Definitions

'Audit Committee or Committee' shall mean 'Audit Committee of Directors' constituted by the Board of Directors within the meaning of SEBI (Listing Obligations and disclosures Requirements) Regulations, 2015 herein after referred to as 'SEBI LODR'.

'Board of Directors or Board' shall mean the Board of Directors of B&A Ltd as constituted from time to time.

'Compliance Officer' shall mean a person who has been appointed by the company as Compliance Officer pursuant to Regulation 6 of the SEBI LODR.

'Key Management Personnel' shall mean Key Managerial Personnel as defined under the Companies Act' 2013 and the Rules framed thereunder.

'Policy' means Related Party Transaction Policy.

'Related Party' shall mean any person or entity related to the Company as defined under Section 2(76) of the Companies Act' 2013 or under applicable Accounting Standards. Provided that any persons or entity belonging to the promoter or promoter group and holding 20% or more of shareholding in the company shall be deemed to be a related party.

'Related Party Transaction' shall mean any transfer of resources, services or obligations between the company and a related party, regardless of whether any price is charged or not. 'Transaction' with related party shall be construed to include single transaction or a group of transactions in a contract.

'Material Related Party Transaction' shall mean related party transaction/transactions entered individually or taken together with previous transactions during any financial year, which exceeds ten percent of the annual consolidated turnover of the Company as per last audited financial statements of the Company with regards to that financial year.

4. Policy

All Related Party Transactions must be reported to the Audit Committee for its approval in accordance with this policy. However the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company.

4.1 Identification of Potential Related Party Transaction

Each Director and Key Management Personnel will be responsible for providing Notice to the Compliance officer of any potential Related Party Transaction involving him or his relative, including any additional information about the transaction that the Board/Audit Committee may request, to be placed before the Audit Committee and the Board. The Board shall record the disclosure of interest and the Audit Committee will determine whether the proposed transactions would, in fact, constitute a Related Party Transaction requiring compliance of the policy.

The Company shall prefer to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee gets adequate time to obtain and review information about the proposed transaction.

4.2 Review and Approval of Related Party Transactions

Every Related Party Transaction shall be subject to the prior approval of the Audit Committee whether in a meeting or by means of resolutions passed in circulation. Any member of the Committee who has a potential interest in the Related Party Transaction shall abstain from discussion and voting on the approval of the Related Party Transaction. However, while providing omnibus approval the Audit Committee shall satisfy itself regarding the need for such omnibus approval with the value of such transaction is in the interest of the Company. Audit Committee shall review atleast on a quarterly basis, the details of all Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given.

All “Material Related Party Transactions” shall require prior approval of the shareholders by means of resolutions and the Related Parties shall abstain from voting on such resolutions.

4.3 Decision regarding transaction in ordinary course of business and on arm’s length basis

The Audit Committee or the Board shall in respect of any Related Party Transaction referred to them for approval shall judge whether the transaction will be entered in the ordinary course of business or at arm’s length basis after considering the materials placed before them. In case Audit Committee can’t arrive at a decision it will be referred to Board whose decision will be final in this regard.

4.4 Material Related Party Transaction

The Audit Committee shall review all transactions with Related Parties and refer to the Board all Material Related Party Transactions for approval of the shareholders. Any related party transaction which individually or taken together with the previous transactions during the financial year exceeds ten percent of the annual consolidated as material and shall be referred to the shareholder for approval.

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5. Related Party Transactions not approved under the Policy

In the event the Company becomes aware of a transaction with a related party that has not been approved under this policy the matter shall be reviewed by the Committee. The Committee shall evaluate options available to the Company including ratification, revision or termination of the transaction and shall take any action as the Committee may deem appropriate.

6. Review and Amendment

The Board of Directors shall review the policy once in every three years and update it accordingly.

The Board of Directors shall have the full authority to modify or waive any procedural requirements of this Policy subject to the guidelines issued by Securities and Exchange Board of India from time to time.

7. Communication

This policy will be communicated to all operation heads and other concerned persons of the Company and shall be placed on the website of the Company at <https://www.barooahs.com> and a web link will be provided in the next Annual Report of the Company.