

## **WPIL RPT POLICY**

### **INTRODUCTION**

1. A related party transaction is a transfer of resources, services or obligation between a Company and a related party, regardless of whether a price is charged. Transactions with related can present potential or actual conflict of interest which may give rise to a point whether transactions with related parties are consistent with the best of interest of the Company and its stakeholders. It is at this point the Company has to ensure that transactions with related parties are carried out in compliance to the requirements of applicable provision of companies Act, 2013 and rules there under and the Listing Agreement.

### **2. DEFINITION**

This Policy contains the definition of materiality of related party transactions and dealing with related party transactions.

### **3 Materiality of related party transactions**

A transaction with related party shall be considered material if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds five percent of the annual turnover or twenty percent of the net worth of the Company as per last audited financial statements of the Company whichever is higher.

### **4. POLICY**

- a) Adherence by the Company with applicable provisions of Companies Act, 2013, the Rules thereunder and the Listing Agreement on Related Party Transactions (RPTs).
- b) All related Party contracts/arrangements shall be entered into in the Ordinary course of business and on an arms' length basis and shall comply with the Accounting standard.
- c) Approval to be granted by Audit Committee for all related Party transactions
- d) The Name of the Related Party with whom transactions to be entered into to be mentioned.
- e) Where the specifics of the Related Party Transactions are known to the Company i.e. nature of transaction, period for which transaction is entered into, price etc, the Audit Committee in such a case may lay down a maximum amount for which the transaction can be entered into by the Company.

- f) Where the above details or need for entering into Related Party Transactions are not known to the Company at the time of passing resolution, the maximum value for which such RPTs can be entered into shall be set at Rs. 1 crore per transaction.
- g) The RPTs should be repetitive in nature.
- h) The RPTs to be entered into should be in compliance to the requirements of Policy laid down by company on RPTs.
- i) Review by the Audit Committee, of each RPT on quarterly basis.
- j) The Audit Committee to nominate an authorized person to approve RPTs.
- k) Reporting to the Audit Committee must be accompanied by post facto affirmation from Authorized person to the Audit Committee that approvals granted by them are in adherence with the Related Party Policy and the terms of the resolutions.
- l) Where the value of the transactions with related party exceeds the amount for which the omnibus approval was granted by the Audit Committee, it should be placed in the next meeting of the Audit Committee for ratification.
- m) All international related party contract/arrangement shall comply with International Transfer Pricing requirement under section 92B of Income Tax Act, 1961 including certification from independent accountants under the Transfer Pricing Regulations.