

POLICY ON
MATERIALITY OF RELATED
PARTY TRANSACTIONS AND
ALSO ON DEALING WITH
RELATED PARTY
TRANSACTION

1. SCOPE AND PURPOSE OF THE POLICY

This Policy on Materiality of Related Party Transactions and also on dealing with Related Party Transaction ("Policy") is prepared and adopted to build a framework for the Related Party Transactions of CCL International Limited ("Company"), in accordance with the provisions of the Companies Act, 2013 read with the Rules framed there under and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and relevant rules made there under; as amended from time to time. This Policy shall regulate the transactions between the Company and its Related Parties as per the requirements and disclosures under the applicable laws, rules and regulations.

2. OBJECTIVE OF THE POLICY

The objective of this Policy is to set out:

- (a) the materiality thresholds for related party transactions and;
- (b) the manner of dealing with the transaction(s) between the Company and related parties

3. APPLICABLE DEFINITIONS

3.1. **Act** means Companies Act, 2013;

3.2. **Board** means the Board of directors of CCL International Limited;

3.3. **Committee** means the Audit committee as defined under the Companies Act, 2013

3.4. **Company** means CCL International Limited;

3.5. **Related Party**, with reference to a Company, shall have the same meaning as defined in Section 2(76) of the Companies Act, 2013 and Regulation

2(1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

3.6. Related Party Transaction (RPT) A Related Party Transaction is a transfer of resources, services or obligations between a company and a Related Party, regardless of whether a price is charged. A transaction with a related party shall be construed to include single transaction or a group of transactions in a contract.

3.7. Material Related Party Transaction means any RPT as per the materiality thresholds prescribed under the LODR

3.8. 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.

3.9. Ordinary Course of Business, RPT will be considered in ordinary course if they are entered in the normal course of the business pursuant to the objects of the Company as per the charter documents of the Company

3.10. A "**transaction**" with a related party shall be construed to include single transaction or transactions done in tranches pursuant to a contract.

4. MATERIALITY THRESHOLDS

Regulation 23 of SEBI (Listing Obligation and Disclosures Requirements) Regulation 2015 requires a company to provide materiality thresholds for transactions beyond which the shareholders' approval will be required by way of a resolution. The Company has fixed its materiality threshold at 10% of the annual consolidated turnover of the Company as per last audited financial statements of the company for the purpose.

5. POLICY

- a) The RPTs should be in conformity with the prevailing rules and regulations prescribed by law.
- b) All RPTs shall be placed before the Audit Committee for prior approval of the Audit Committee, as required under the provisions of the Act and the LODR.
- c) The Audit Committee may grant omnibus approval for RPTs which are repetitive in nature, provided that such approval shall remain valid for a period not exceeding one year, during which period the commercial terms of approved RPTs may change, provided that arm's length criterion shall be ensured at the time of each such change. Further, where the need for RPTs cannot be foreseen and requisite details are not available, the Audit Committee may grant omnibus approval for such transactions as per Regulations of LODR and Companies Act, 2013.
- d) Any RPT which is not in the Ordinary Course of Business of the Company or not at Arm's Length Basis shall be effected only with prior approval of the Board of Directors of the Company, on recommendation of Audit Committee.
- e) All RPT specified in the Act which are not Ordinary Course of Business of the Company or not at Arm's Length Basis; and exceed the thresholds laid down in Companies (Meeting of Board and its Power) Rules, 2014 shall be placed before the shareholders for its approval. Notwithstanding, the RPTs which cross the Materiality thresholds as defined herein shall be entered by the Company only with prior approval of shareholders of the Company, as per applicable provisions of the LODR, as may be amended from time to time.

6. DISCLOSURE OF RELATED PARTY TRANSACTIONS

The Company shall disclose the Policy on dealing with Related Party Transactions on its website

7. REVIEW

The Board shall, as may be required, assess the adequacy of this Policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, laws applicable and the best practices. Any amendment to this policy will be in writing.