



OUR PATH - YOUR SUCCESS

3Dimension Capital Services Limited

SEBI Registered (Category - 1) Merchant Banker

POLICY FOR RELATED PARTY TRANSACTIONS **FOR 3DIMENSION CAPITAL SERVICES LIMITED**

1. PREAMBLE

3Dimension Capital Services Limited is a Company incorporated under the Companies Act, 1956 ("the Company") and is in the business of providing a wide spectrum of services ranging from Corporate Restructuring, Buy Outs, Listing, Issue Management, Debt and Equity Syndication.

The Board of Directors of the Company has adopted the following policy and procedures with regard to Related Party Transactions as defined below. The Board will review and may amend this policy from time to time. This policy will be applicable to the Company. This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable on the Company.

2. PURPOSE

The policy is intended to ensure proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its stakeholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

3. DEFINATIONS

"Associate Company" means any other entity, in which the Company has a significant influence

"Board" means Board of Directors of the Company.

"Control" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

"Key Managerial Personnel" means key managerial personnel shall include as defined under the Companies Act, 2013

1. the Chief Executive Officer or the Managing Director or the Manager;
2. the Company Secretary;
3. the Whole-Time Director, the Chief Financial Officer;

"Material Related Party Transaction" means a transaction with a related party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% (ten percent) of the consolidated annual turnover as per the last audited financial statements of the Company.

"Policy" means Related Party Transaction Policy or any amendment thereto. "Related" means an entity shall be considered as related to the Company if:

1. Such entity is a related party under Section 2(76) of the Companies Act, 2013; or
2. Such entity is a related party under applicable Accounting Standards.

"Related Party Transaction" means any transaction directly or indirectly involving any Related Party which is a transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged.

Explanation: A "transaction" with a Related Party shall be construed to include a single transaction or a group of transactions in a contract.

"Relative" means relative as defined under the Companies Act, 2013 and includes anyone who is related to another, if —

- They are members of a Hindu undivided family;
- They are husband and wife; or
- Father (including step-father)
- Mother (including step-mother)
- Son (including step-son)
- Son's wife
- Daughter
- Daughter's husband
- Brother (including step-brother)
- Sister (including step-sister)

4. POLICY

All Related Party Transactions shall be reported to the Board and referred for approval by the Board in accordance with this Policy.

4.1. Procedures for review and approval of Related Party Transactions:

4.1.1. Board Approval:

All related party transactions require the prior approval of the Board. The Board may grant omnibus approval for such transaction, subject to the following conditions:

- a. The Board shall lay down the criteria for granting omnibus approval in accordance to this policy and the relevant provisions of law and such approval shall remain in force for the repetitive transactions;
- b. The Board shall be satisfied for the need of granting the omnibus approval and that such approval is in the best interest of the Company;
- c. Such an approval shall specify — (i) the name(s) of the related party, nature of transaction, period of the transaction, maximum amount of transaction that can be entered into; (ii) the indicative base price/current contracted price along with the formula of variation in price. if any; (iii) any other conditions which the Board deems fit.
However, in case of related party transactions which cannot be foreseen and where above details are not available, Board may grant omnibus approval provided the value does not exceed Rs.50,00,000/- (Rupees Fifty Lakhs).
- d. The Board shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each omnibus approval given.
- e. The omnibus approval shall be valid for a period of I (one) year.

While assessing a proposal put up before the Board for approval, the Board, as the case maybe, may review the following documents/seek the following information from the management to in order to determine if the transaction is in the ordinary course of business and at arm's length or not:

- a. Nature of transaction i.e. details of goods or property to be acquired/ transferred or services to be rendered/ availed — including description of functions to be POSH –3DCSL performed, risks to be assumed and assets to be employed under the proposed transactions;
- b. Key terms (such as price and other commercial compensation contemplated under the arrangement) of the proposed transaction including value and quantum;
- c. Key covenants (non-commercial) as per the draft of the proposed agreement/ contract to be entered into for such transaction;
- d. Special terms covered/ to be covered in separate letters or undertakings or any other special or sub arrangement forming a part of a composite transaction;
- e. Benchmarking information that may have a bearing on the arm's length basis analysis:
 - (i) market analysis, research report, industry trends, business strategies, financial forecasts etc.;
 - (ii) third party comparables, valuation reports, price publications including stock exchange quotations;
 - (iii) management assessment of pricing terms and business justification for the proposed transaction;
 - (iv) comparative analysis, if any, of other such transaction entered into by the Company.

4.1.2. Board of Directors:

As per the provisions of Section 188 of the Act, all kinds of related party transaction specified under the said Section and which are not in the ordinary course of business or not at arm's length basis, are to be placed before the Board. In addition to the above, the following kinds of transactions with related party are also to be placed before the Board for its approval:

- a. Transactions which may be in ordinary course of business and at arm's length basis, but which are, as per the policy of the Board as determined from time to time require the approval of the Board
- b. Material Related Party Transactions are intended to be placed before the shareholders for approval.

4.1.3. Approval of the Shareholders of the Company:

All Material Related Party Transactions are placed before the shareholders for approval.