

POLICY ON RELATED PARTY TRANSACTION

1. PREAMBLE

SKP Securities Limited (SKP) recognizes that transaction with related parties can present potential or actual conflicts of interest and may raise questions about whether transactions associated with such relationships are consistent with Company's and its stakeholders' best interests.

SKP in its quest for good Corporate Governance practices feels that it must specifically ensure that the Related Party Transaction are managed and disclosed in accordance with the strict legal and accounting requirements to which the Company is subject.

The equity listing agreement with stock exchanges mandates formulation of a policy on transactions with Related Parties and dealing with Related Party Transactions. Therefore, this policy regarding the view and approval of Related Party Transactions has been adopted by the Company's Board of Directors in order to set forth the procedures under which the certain transactions must be reviewed and approved or ratified.

2. OBJECTIVE

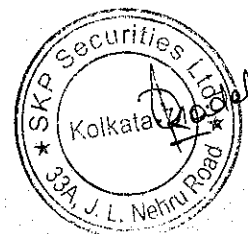
This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

3. DEFINITIONS

For the purposes of this policy, the following definitions apply:

- a) **"Board"** means the Board of directors of SKP Securities Limited;
- b) **"Related party"** means an entity if:
 - i. such entity is a related party under Section 2(76) of the Companies Act, 2013; or
 - ii. such entity is a related party under the applicable accounting standards.
- c) **"Related Party Transaction"** means a transaction as envisaged as a related party transaction under the Companies Act, 2013 or under the Listing Agreement (as amended from time to time) with the Stock Exchanges.



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

4. POLICY

All Related Part Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this policy.

5. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

Audit Committee:

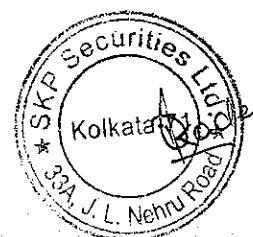
Every Related Party Transaction shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into with the Company which are repetitive in nature and are in the ordinary course of business and on at Arm's Length basis, subject to compliance of the conditions contained in clause 49 of the Listing agreement.

Any member of the Committee who has a potential interest in any Related Party Transaction shall abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee shall be provided with the necessary information to the extent relevant, with respect to actual or potential Related Party Transactions and/or prescribed under the Companies Act, 2013 and Rules thereunder, and the Listing Agreement with the Stock Exchanges.

Board:

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.



Shareholders:

All material Related Party Transactions shall require approval of the shareholders through special resolution and Related Parties shall abstain from voting on such resolution.

All Related Party Transaction, other than Material Related Party Transactions which are not in the ordinary course of the business or at Arm's Length basis shall also require the approval of the shareholders through special resolution if so required under any law and the Related Parties shall abstain from voting on such resolution.

6. DISCLOSURE

All material related party transactions shall be disclosed to the stock exchange quarterly along with the compliance report on corporate governance.

The company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.

7. AMENDMENT

The Company reserves the right to amend or modify this Policy in whole or in part, at any point of time. Further any subsequent amendment/modification and/or other applicable laws shall automatically apply to this policy.

