

Ambuja Cement

RELATED PARTY TRANSACTIONS POLICY

[Pursuant to Companies Act, 2013 and Rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Introduction

The Companies Act, 2013 (the Act), the rules framed thereunder as well as Regulation 23 of the SEBI LODR Regulations, contain detailed provisions relating to Related Party Transactions.

The objective of this Policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable to the Company in this regard and to ensure proper approval and reporting of transactions between the Company and its Related Parties.

2. Definitions

- (a) "Act" means Companies Act, 2013 including any statutory modification or re-enactment thereof;
- (b) "Board" means Board of Directors of the Company.
- (c) "Related Party" is a party as defined in Section 2(76) of the Companies Act, 2013 read with Rules thereto and clause (zb) of Regulation 2 of the SEBI LODR Regulations.
- (d) "Company" means Ambuja Cements Limited.
- (e) "SEBI LODR Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modifications or re-enactments thereof for the time being in force.
- (f) "Related Party Transaction" means a transaction between the Company and a Related Party which transaction is of the nature specified in sub- clause (a) to (g) of section 188(1) of the Companies Act, 2013, or as defined under SEBI LODR Regulations.
- (g) "Material Related Party Transactions" means a transaction to be entered into with a Related Party, individually or taken together with previous transactions during a financial year, exceeding the thresholds as mentioned in point no. 3.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI LODR Regulations or any other applicable law or regulation.

3. Transactions between Company & Related Parties and Materiality Threshold

Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provisions of the Companies Act, 2013 and Regulation 23 of the SEBI LODR Regulations.

Material Related Party Transactions (Materiality Threshold):

Regulation 23 of SEBI LODR Regulations requires a company to provide materiality thresholds for transactions beyond which approval of the shareholders through resolution will be required. The Company has fixed its materiality threshold as under:

(i) In case of transactions involving payments made with respect to brand usage or royalty, if it exceeds 5% of the annual consolidated turnover of the Company as per its last audited financial statements.

(ii) In case of any other transaction(s), if the amount exceeds 10% (ten percent) of the annual consolidated turnover of the Company as per its last audited financial statements.

4. Internal Processes in regard to Related Party Transactions

The Company shall, with the approval of the Board of Directors, establish appropriate internal processes for the purpose of identification of Related Parties and any transactions with them, determination of whether the transaction (s) is in ordinary course of business, whether the transaction(s) is on an arm's length basis, monitoring "Materiality" threshold and other relevant matters to ensure adherence to this policy while entering into transactions with Related Parties.

5. Amendment

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the SEBI LODR Regulations, Act or any law for the time being in force. The Board of Directors shall review the Policy atleast once in three years for making suitable amendments, if any.

Sd/-

Mr. Rajendra Chitale
Chairman
Audit Committee

Sd/-

Mr. N.S. Sekhsaria
Chairman
Board of Directors

Date	October 22, 2020
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