

RPT MATERIALITY POLICY UNDER LISTING REGULATIONS

PART – A

About the Company:

Vivriti Capital Private Limited (VCPL) ('the Company') is a BSE Debt listed and Non-Deposit taking Systemically Important Non-Banking Finance Company (NBFCs-ND-SI) registered with the Reserve Bank of India.

Applicability & Objective

The Company is a high value debt listed entity and accordingly the provisions of Regulation 15 to 27 under Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") are applicable to the Company.

Pursuant to Regulation 23 (1) of the Listing Regulations, as amended, the board of directors of the Company is required to formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the board of directors.

All Related Party Transactions should be referred to the Audit Committee of the Company for prior approval of the Audit Committee. The Audit Committee shall also approve any subsequent modifications of RPT. The Audit Committee may also grant omnibus approval for certain category of transactions as specified in Regulation 23 of the Listing Regulations, which shall be valid for period not exceeding one financial year and shall require fresh approval after the expiry of one year.

The Company has also framed a policy on dealing with related party transactions ("**RPT Policy**") in addition to this policy, accordingly, this policy shall be read together with the RPT Policy, to the extent applicable.

PART-B

Definitions

"**Act**" shall mean the Companies Act, 2013, as amended, modified or restated from time to time.

"**Arm's length transaction**" Explanation (b) to Section 188(1) of the Act defines an "arm's length transaction" to mean a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

"**Audit Committee**" means the audit committee constituted by the Board of Directors of the Company constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Rules made thereunder including the Listing Regulations.

"**Board**" or "**Board of Directors**" shall mean the board of directors of the Company.

"**Company**" shall mean Vivriti Capital Private Limited (VCPL)

"**Compliance Officer**" shall mean the Company Secretary of the Company and in his absence any senior officer, so designated by the Board for the purpose of compliance with the Code.

"**Director**" shall mean a member of the Board

“Key Managerial Personnel” or **“KMP”** shall, in relation to the Company have the meaning ascribed to it under Section 2(51) of the Act, as amended from time to time.

“Listing Regulations” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Material Modification” means and includes any modification to the terms of a Related Party Transaction, having a variance of 15% from the existing limit as sanctioned by the Audit Committee / Board / Shareholders, or the effect of which will be an increase over the approved limit for such transaction by an amount of more than 300 Crores in a financial year, whichever is higher.

Provided that where any RPT approval was granted on percentage basis then the absolute value shall not be considered for determining the material modification status and vice versa.

“Material Related Party Transaction” or **“Material RPTs”** shall mean (a) transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions with a Related Party during a financial year, exceeds 10% (ten) percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, or (b) a transaction involving payments made to a Related Party with respect to brand usage or royalty if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

“Ordinary course of business” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the company can undertake as per Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

“Related Party” in relation to the Company means a party related with the Company in any of the ways as are laid down in section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of Listing Regulations as amended from time to time.

“Related Party Transaction” or **“RPT”** in relation to the Company means a transaction with a Related Party under the relevant provisions of the Companies Act, 2013 or the Listing Regulations.

PART-C

I Role of Audit Committee

All RPTs shall be referred to the Audit Committee for prior approval, irrespective of its materiality. The Audit Committee shall also approve any subsequent modification of RPTs, Provided that only those members of the audit committee, who are independent directors, shall approve RPTs. Further, any variations against the pre-approved transactions will be placed before the Audit Committee for ratification.

The related party transaction(s), whether fresh or modification in the existing transactions thereof, shall require prior approval of the Audit Committee of the Company, as required under Companies Act, 2013/Listing Regulations, as amended from time to time, if not in ordinary course of business or on arm's length basis.

The Audit Committee shall consider the following while determining the related party transactions:

- Nature of relationship with related party;
- Nature, duration of contract, material terms, monetary values and particulars of the contract or arrangement;
- maximum amount of transaction that can be entered into;

- Any advance paid or received for the contract or arrangement;
- the indicative base price / current contracted price and the formula for variation in the price, if any;
- Method and manner of determining the pricing and other commercial terms;
- Whether the transaction is at arm's length; and
- Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

II Omnibus Approval

The Audit Committee may grant omnibus approval for related party transactions which are repetitive in nature and subject to such criteria/conditions as mentioned under Clause 23 of the Regulations and such other conditions as it may consider necessary in line with this policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

Audit Committee shall review, on a quarterly basis, the details of related party transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a related party transaction, the Committee has authority to modify or waive any procedural requirements of this policy.

A related party transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Committee, will be placed before the Committee for ratification.

III. Board Approval

The Board shall approve RPTs, (a) which are not in ordinary course of business and/or not at arm's length; or (b) RPTs in respect of which the Audit Committee is unable to determine whether or not they are in the Ordinary Course of Business and/or at arm's length and decides to refer the same to the Board for approval;

Where the Audit Committee does not approve the RPTs, it shall make its recommendations to the Board.

Any member of the Board who has a potential interest in such Related Party Transaction shall recuse himself or herself and abstain from voting on the approval of such Related Party Transaction. Such member may, however, participate in discussions with respect to other Related Party Transactions placed for approval of the Board.

IV. Shareholders' Approval

All Material RPTs, whether in ordinary course of business and/or arm's length basis or not, shall require approval of the shareholders through resolution, and no Related Party shall vote to approve such resolutions whether the entity is a Related Party to the particular transaction or not.

Exemption: The requirement of seeking approval under Regulation 23(2), 23(3) and 23(4) of the Listing Regulations shall not apply to the transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

V. Prior Approval

Prior consent of the Board and shareholders would be taken in respect of all the RPTs including material modifications thereof, except in following cases:

1. Where the transactions are below the threshold limits specified in the Companies Act, 2013 and Rules made thereunder and SEBI Regulations, as may be applicable

2. Where the transactions are entered into by the Company in its ordinary course of business and are on arm's length basis
3. Transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval
4. Transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

Considering the nature of business of the Company, while approving the related party transactions entered or to be entered under the policy, the total exposure to a particular related party with respect to loans borrowed or disbursed shall be considered excluding any repayments made or to be made thereon. This is to ensure that a particular transaction does not get double counted for aggregation of limits due to repetitive withdrawals, pre-repayment, partial settlement and repayments made by the party in ordinary course of business.

VI Responsibility of Director and Key Managerial Personnel

Every Director, Key Managerial Personnel of the Company is responsible for providing notice to the Board or the Audit Committee, of any potential Related Party Transaction (in the format specified in Annexure-1) involving him/her or his/her relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does constitute a Related Party Transaction requiring compliance with this policy.

All Directors are required to declare and disclose their concerns or interests in any company or companies or bodies corporate at the first Board meeting in every financial year and subsequently whenever there is any change in disclosures. In addition, the Directors shall ensure that any business transactions entered into between Company and themselves comply with the terms of this Policy.

Disclosures

This Policy shall be posted on the Company's website and a web link thereto shall be provided in the Annual Report.

The listed entity shall submit along with its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

Amendments to the Policy

Any Changes to the policy on account of regulatory requirements will be reviewed and approved by the Audit Committee or the Board of Directors of the Company subject to approval of Audit Committee. Any or all provisions of this Policy would be subject to revision/amendment in accordance with the rules, regulations, notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc. The Audit Committee/Board will give suitable directions/ guidelines to implement the same. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

Limitation

In the event of any conflict between the provisions of this Policy and Listing Regulations, the Listing Regulations shall prevail over this Policy.

Annexure-1

NOTIFICATION OF RELATED PARTY TRANSACTION UNDER RELATED PARTY POLICY OF M/S. VIVRITI CAPITAL PRIVATE LIMITED (VCPL)

1. Name of the Director/KMP/Employee
2. Name of the Related Party
3. Nature of relationship
4. Nature of Transaction
5. Value involved in the Transaction (Rs. in Crores)
6. Material Terms of the Transaction
7. Pricing method followed for the Transaction
8. Date of commencement of the Transaction
9. Date of expiry of the Transaction
10. Benefits to the Company
11. Benefits to the Declarant
12. Any other information

This is to notify to VCPL that the above said transaction is to be treated as Related Party Transaction as I am interested in it as a Director/KMP of the Company.

Date:

Name and signature