

PAL Credit & Capital Limited

Policy on Related Party Transactions

1. Introduction and Background

PAL Credit & Capital Limited (the “Company”) recognizes that related party transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stakeholders' best interests.

2. Scope & Inclusion

This policy sets definition of materiality of related party contract/ transactions and dealing with the same.

3. Terms and References

Materiality of Contracts / transactions with a related party shall be considered as “material related party contracts / transactions if the transactions during a financial year under such contracts / transactions exceed the threshold prescribed by SEBI Circular - CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 or any amendment thereof.

4. Policy

- 4.1 All related party contracts / transactions shall be entered on arms' length basis without any exception.
- 4.2 All related party contract / transactions shall comply with the Companies Act, 2013.
- 4.3 All related party contract / transactions shall comply with Listing Agreement.
- 4.4 All related party contract / transactions shall comply with Accounting Standards.
- 4.5 All related party contract/transactions shall comply with any other Law, rules and regulations framed if any, by Central government, State Government and local authorities to the extent applicable.
- 4.6 Approval of Audit Committee shall be taken for a related party contracts / transactions as required under the Companies Act, 2013 and Listing Agreement. While taking such approval specific mention will be made with regard to applicability of any Law, rules and regulations, if applicable to the material part of the contract/ transactions.