

**NATIONAL STEEL AND AGRO INDUSTRIES LIMITED**

**POLICY ON RELATED PARTY TRANSACTIONS**

# NATIONAL STEEL AND AGRO INDUSTRIES LIMITED

## Policy on Related Party Transactions

### 1. Introduction

The Board of Directors of National Steel and Agro Industries Limited (“NSAIL / the Company”) has adopted the following Policy and procedure with regard to Related Party Transactions (“RPTs”). The policy envisages the procedure governing RPT’s required to be followed by Company to ensure compliance with the Law and Regulation.

### 2. Objectives

The objectives of the Policy are to comply with the provisions of Section 188 and other applicable provisions of the Companies Act 2013 and Rules made thereunder, and, Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 {hereinafter referred as “SEBI (LODR) Regulations 2015”}.

### 3. Definitions

‘**Act**’ means Companies Act, 2013 and Rules made thereunder and any amendment thereof.

“**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.

‘**Audit Committee or Committee**’ means Audit Committee of the Company as constituted or reconstituted by the Board pursuant to the provisions of Section 177 and other applicable provisions of the Companies Act 2013 and Rules made

thereunder, and, Regulation 18 and other applicable provisions of the SEBI (LODR) Regulations, 2015.

**“Board”** means Board of Directors of the Company.

**“Company”** means National Steel and Agro Industries Limited.

**“Independent Director”** means a Director of the Company, not being in whole time employment and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence as prescribed under Section 149 of the Act and the SEBI (LODR) Regulations, 2015.

**“Key Managerial Personnel”** means Key managerial personnel as defined under the Act and includes:

- (i) the Chief Executive Officer or the managing director or the manager
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed.

**“Material Related Party Transaction”** means a transaction with a related party exceeds the threshold limits prescribed under the Act and / or SEBI (LODR) Regulations, 2015 and requires approval of the Shareholders of the Company.

**“Policy”** means Policy on Related Party Transactions.

**“Related Party”** means related party as defined in the Act and / or SEBI (LODR) Regulations, 2015.

**“Related Party Transaction”** means transactions with related party as defined in the Act and / or SEBI (LODR) Regulations, 2015.

Note: Words not defined herein shall have the meaning as provided in the Companies Act 2013, SEBI (LODR) Regulations 2015 or any other applicable Act, Rules or Regulations.

#### **4. Manner of dealing with RPTs**

##### **(i) Identification of Related Parties**

The Company shall, time to time, update the list of related parties.

##### **(ii) Identification of RPTs**

The Company shall identify whether a transaction with any party comes under RPTs or not and for this purpose the Company will seek expert professional opinion, if necessary.

##### **(iii) Procedure for approval of Related Party Transaction**

###### **(a) Approval of the Audit Committee**

All related party transactions require prior approval of the Audit Committee. However, the Company may obtain omnibus approval from the Audit Committee for such transactions, subject to compliances with the applicable provisions of the Act and / or SEBI (LODR) Regulations 2015.

The Audit Committee may, time to time, ratify the transaction with Related Party.

(b) **Approval of the Board of Directors of the Company**

As per the provisions of Section 188 of the Act, all kinds of transactions with Related Party specified under the said Section and which are not in the ordinary course of business or not at arm's length basis, shall be placed before the Board for its approval.

(c) **Approval of the Shareholders of the Company**

Material Related Party Transaction shall be placed before the Shareholders for their approval.

**5. Limitation and Amendment**

In the event of any conflict between the provisions of this Policy and of the Act or SEBI (LODR) Regulations 2015 or any other statutory enactments, the provisions of such Act or SEBI (LODR) Regulations 2015 or statutory enactments, shall prevail over this Policy. Any subsequent amendment / modification in the Act, SEBI (LODR) Regulations 2015 and/or applicable laws in this regard shall automatically apply to this Policy.

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