



WEP SOLUTIONS LIMITED

RELATED PARTY TRANSACTION POLICY

Section 188 – Related Party Transactions: Companies Act 2013

Rule 15 - Companies (Meetings of Board and its Powers) Rules, 2014

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended

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Company's existing policy approved by the Board of Directors on 13th November 2014 for determining the Related Party Transactions is replaced by this policy in order to make it more aligned with the recent amendment(s) pursuant to The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Companies Act 2013 as amended.

- ♣ Document Title – Related Party Transaction Policy.
- ♣ Originally Framed – 13th November 2014.
- ♣ Last Revision – 25th May 2019
- ♣ Current Revision Effective Date – 1st April 2022.
(Modified w.r.t. the Sixth Amendment to the SEBI LODR Regulations dated 9th November, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021)
- ♣ Approving Authority – Board of Directors.
- ♣ Date of Approval of the Revised Policy – 13th May 2022

1. Introduction

The Board of Directors (the “Board”) of WeP Solutions Limited (the “Company”) has adopted the following policy and procedures with regard to Related Party Transactions (hereinafter referred as “RPT”) that the Company may enter into from time to time, in compliance with the requirements of Section 188 of the Companies Act, 2013 and Rules made thereunder (the “Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”) and any amendments thereto.

2. Scope of Policy

Pursuant to Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations), the Company is required to formulate a policy on related party transactions and materiality of related party transactions, approved by the Board of Directors and such policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly.

The Board of Directors will review and amend this policy from time-to-time as and when necessary or required. The Audit Committee/Board/General Meeting, as applicable shall, subject to requirements of the Act, the Regulations and this Policy review, approve and ratify (if permissible) the RPTs in terms of the requirement of this Policy.

This Policy is intended to ensure proper approval and reporting of RPTs as applicable, between the Company and related party(ies) in the best interest of the Company and its Stakeholders.

3. Definitions

- i. **‘Audit Committee’** means Committee constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof.
- ii. **‘Board’** means Board of Directors of the Company.
- iii. **‘Companies Act, 2013’** means the Companies Act, 2013 read with the Rules framed thereunder including any modification(s) / amendment(s) / re-enactment(s) thereof.
- iv. **‘Listing Regulations’** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- v. **‘Key Managerial Personnel’** as defined under the Companies Act, 2013 means:
 - a) the Chairman and Managing Director;
 - b) the Company Secretary (CS);
 - c) the Whole- time Director (WTD);
 - d) the Chief Financial Officer (CFO);
 - e) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - f) such other officer as may be prescribed.

vi. **'Policy'** means this Related Party Transaction Policy.

vii. **'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.

viii. **'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 and 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.

ix. **'Subsidiary Company'** shall have the same meaning as specified under Section 2(87) of The Companies Act, 2013.

x. **'Wholly Owned Subsidiary'** - When a company holds 100% of Shares of another company, the other company be called as a Wholly Owned Subsidiary of the company who has made 100% investment in it.

xii. **'Associate Company'** in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

xiii. **'Significant Influence'** means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement.

xiv. **'Joint Venture'** means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the Net assets of the arrangement.

xv. **Relative - Section 2(77)**

The term **"Relative"** means relative as defined under the Companies Act, 2013 and includes anyone who is related to another, if-

i. They are members of a Hindu undivided family;

ii. They are husband and wife; or

(Rule 4- Companies (Specification of definitions details) Rules, 2014.)

iii. One person is related to another in the following manner, namely:

- 1) Father (including step-father)
- 2) Mother (including step-mother)
- 3) Son (including step-son)
- 4) Son's wife
- 5) Daughter
- 6) Daughter's husband
- 7) Brother (including step-brother)

8) Sister (including step-sister)

xvi. “Related Party” -

a. Under the Companies Act, 2013

[Section 2(76) Related Party]

Related Party means, with reference to a company:

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager or his relative is a member or director;
- (v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;
- (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

- (viii) any body corporate which is—
 - (A) a holding, subsidiary or an associate company of such company;
 - (B) a subsidiary of a holding company to which it is also a subsidiary; or
 - (C) an investing company or the venturer of a company;

Explanation - For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

- (ix) such other person as may be prescribed

b. As per Listing Regulations

Regulation 2(zb). Definitions

“Related Party” means a related party as defined under Section 2(76) of the Companies Act, 2013 or under the applicable accounting standards.

Provided that:

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity;
- or

(b) any person or any entity, holding equity shares:

(i) of twenty per cent or more; or

(ii) of ten per cent or more, with effect from April 1, 2023;

in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognized stock exchange(s);

c. As per Indian Accounting Standard (Ind AS) 24

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

(a) A person or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control of the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

xvii. 'Related Party Transactions'

a. Under the Companies Act, 2013

Section 188. Related Party Transactions

(1) Except with the consent of the Board of Directors given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed, no company shall enter into any contract or arrangement with a related party with respect to—

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof, of the company:

Provided that no contract or arrangement, in the case of a company having a paid-up share capital of not less than such amount, or transactions not exceeding such sums, as may be prescribed, shall be entered into except with the prior approval of the company by a resolution:

Provided further that no member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party Provided also that nothing contained in the second proviso shall apply to a company in which ninety per cent. or more members, in number, are relatives of promoters or are related parties:

Provided also that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

Provided also that the requirement of passing the resolution under first proviso shall not be applicable for 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.

Explanation.— In this sub-section,—

- (a) the expression "office or place of profit" means any office or place—

(i) where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;

(ii) where such office or place is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;

(b) the expression “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.

(2) Every contract or arrangement entered into under sub-section (1) shall be referred to in the Board’s report to the shareholders along with the justification for entering into such contract or arrangement.

(3) Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting under sub-section (1) and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

b. As per Listing Regulations

Regulation 23. Related Party Transactions.

Reg 23. (1) The listed entity shall 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 and such policy shall be reviewed by the board of directors at least once every three years and updated accordingly:

Provided that

A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower

Reg 23 (1A) Notwithstanding the above, with effect from July 01, 2019,

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material 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 listed entity as per the last audited financial statements of the listed entity

(2) All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the listed entity

Provided That:

Only those members of the audit committee, who are independent directors, shall approve related party transactions.

Provided Further That:

(a) the audit committee of a listed entity shall define “**material modifications**” and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions;

(b) a related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds **ten per cent of the annual consolidated turnover**, as per the last audited financial statements of the listed entity;

(c) with effect from April 1, 2023, a related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, **exceeds ten per cent of the annual standalone turnover**, as per the last audited financial statements of the subsidiary;

(d) prior approval of the audit committee of the listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

Explanation:

For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (d) above, the prior approval of the audit committee of the listed subsidiary shall suffice.

(3) Audit committee may grant omnibus approval for related party transactions proposed to be entered into by the listed entity subject to the following conditions, namely-

(a) the audit committee shall lay down the criteria for granting the omnibus approval in line with the policy on related party transactions of the listed entity and such approval shall be applicable in respect of transactions which are repetitive in nature;

(b) the audit committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the listed entity;

(c) the omnibus approval shall specify:

(i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into,

(ii) the indicative base price / current contracted price and the formula for variation in the price if any; and

(iii) such other conditions as the audit committee may deem fit:

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

(d) the audit committee shall review, atleast on a quarterly basis, the details of related party transactions entered into by the listed entity pursuant to each of the omnibus approvals given.

(e) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year:

(4) All material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (2), shall require prior approval of the shareholders through resolution no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice

Provided further that the requirements specified under this sub-regulation shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved;

(5) The provisions of sub-regulations (2), (3) and (4) shall not be applicable in the following cases:

(a) transactions entered into between two government companies;

(b) 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.

(c) 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

Explanation.-For the purpose of clause (a), "government company(ies)" means Government company as defined in sub-section (45) of section 2 of the Companies Act, 2013.

(6) The provisions of this regulation shall be applicable to all prospective transactions.

~~(7)~~ not vote to approve the relevant transaction

(8) All existing material related party contracts or arrangements entered into prior to the date of notification of these regulations and which may continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of these regulations.

(9) The listed entity shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the Board from time to time, and publish the same on its website:

Provided that a 'high value debt listed entity' shall submit such disclosures along with its standalone financial results for the half year:

Provided further that the listed entity shall make such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results: Provided further that the listed entity shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results with effect from April 1, 2023.

xvii. **“Material Related Party Transactions”**

a. Under the Companies Act, 2013

Approval by the Audit Committee	All RPTs shall require approval of the Audit Committee.	
Approval by the Board	The following RPTs which are not in the ordinary course of business and not on an arm's length basis shall require approval of the Board at the Meeting: a. Sale, purchase or supply of goods, materials directly or through appointment of agents b. Selling or otherwise disposing of, or buying, property of any kind or through appointment of agents c. Leasing of property of any kind d. Availing any services directly or through appointment of agents e. Appointment of any office or place of profit in Company/its subsidiary or associate company f. Underwriting the subscription of any securities or derivatives thereof	
Approval by the Shareholders	a. If RPTs, individually or taken together with previous RPTs during a financial year, exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company.	
	b. RPTs fall under the categories which are not in ordinary course of business and on an arm's length basis and exceed the prescribed limits:	
	Sale, purchase or supply of goods, materials directly or through appointment of agents.	Amounting 10% or more of turnover of the Company #
	Selling or otherwise disposing of, or buying, property of any kind or through appointment of agents.	Amounting to 10% or more of Net Worth of the company #
	Leasing of property of any kind.	Amounting to 10% or more of the Turnover of the company #

	Availing any services directly or through appointment of agents.	Amounting to 10% or more of the turnover of the company #
	Appointment of any office or place of profit in Company/its subsidiary or associate company.	At monthly remuneration exceeding Rs.2.5 lacs
	Underwriting the subscription of any securities or derivatives thereof	Remuneration exceeding 1% of the Net Worth
	<i># Annual Turnover and Net Worth referred above is computed as per audited Financial Statement for the preceding financial year.</i>	

b. As per Listing Regulations

Regulation 23. Related Party Transactions

Effective April 1, 2022 - A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Effective 1st July 2019 - a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material 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 listed entity as per the last audited financial statements of the listed entity

xviii “Material Modifications”

The audit committee of a listed entity shall define “material modifications” and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions;

4. Policy and Procedure

a. Policy

All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee. Only those members of the Audit Committee, who are independent directors, shall approve related party transactions.

Based on the terms and conditions of a transaction, and applicable regulatory requirements, the Audit Committee shall recommend/refer it for the approval of Board of Directors or Shareholders..

a) Identification of related parties:

The Company has formulated guidelines for identification and updating the list of related parties.

b) Identification of related party transactions:

The Company has formulated guidelines for identifying related party transactions as also determining whether the same are in the ordinary course of business and at arm’s length. The Company may seek professional opinion for this purpose, if necessary.

b. Procedure

A. Disclosure by Directors

Every Director shall at the beginning of the Financial Year provide information by way of written notice to the Company regarding his concern or interest in the entity with specific concern to parties which may be considered as related party with respect to the Company and shall also provide the list of relatives which are regarded as related party as per this policy.

Directors are also required to provide the information regarding their engagement with other entity during the financial year which may be regarded as related party according to this policy.

B. Identification of Transaction with Related Parties

Each Director and Key Managerial Personnel is responsible for providing notice to the Company or Audit Committee of any potential Related Party Transaction involving him or her or his or her relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Audit Committee will determine whether a transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy. Any change in the list of relatives shall be intimated by the Directors and Key Managerial Personnel from time to time, as may be required.

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee / Board has adequate time to obtain and review information about the proposed transaction.

C. Review and Approval of Related Party Transactions

i. Audit Committee

Related Party transactions are regularly referred to the scheduled meeting of Audit Committee for review and approval. Any member of the Committee or the Directors of the Board who has potential interest in any Related Party Transaction shall not participate / abstain from discussions / voting on the subject matter involving approval of Related Party Transaction.

All the transactions which are identified by the Audit Committee as related party transactions should be pre-approved by the Audit Committee before entering into such transaction.

The Audit committee shall consider the following factors while deliberating the related party transactions for its approval:

- a) Name of related party and details explaining nature of relationship;
- b) Duration of the contract and particulars of the contract and arrangement;
- c) Nature of transaction and material terms thereof including the value, if any;

- d) Manner of determining the pricing to ascertain whether the same is on arm's length;
- e) Business rationale for entering into such transaction;
- f) Any other information relevant or important for the Board to take a decision on the proposed transactions.
- g) Whether the Related Party Transactions would affect the Independence of an Independent Director;
- h) Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre- approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company;

Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction. If the Committee determines that the related party transaction is

(i) A Material related party transaction; or

(ii) Transactions are not in the ordinary course of business or not at the arm's length price, the Audit Committee shall place the matter before the Board for obtaining its approval.

ii. Board of Directors

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, all transactions which are not in the ordinary course of business and on arm's length, shall be placed before the Board and/or its Shareholders, as applicable, for approval.

The following transactions with related parties shall also be placed before the Board for its approval:

- 1) Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or on arm's length and decides to refer the same to the Board for approval;
- 2) Transactions which are in the ordinary course of business and on arm's length, but which in the view of the Audit Committee requires approval of the Board; and
- 3) Related party transactions which are to be mandatorily approved by the Board under any law.

iii. Shareholders Approval

In case Board refers a Related Party Transaction for seeking approval of the Shareholders as per the provisions of Companies Act 2013 or otherwise, if any member of Company is a related party as per this policy, such member of the Company shall not vote on resolution passed for approving such related party transaction.

iv. Transactions which do not require approval

- (a) transactions entered into between two government companies;
- (b) 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.
- (c) 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

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee:

- (a) Any transaction involving the providing of compensation to a director or Key Managerial Personnel in connection with his duties to the Company including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- (b) Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

v. Related Party Transactions not approved under this Policy

If a Related Party Transaction is entered into by the Company without being approved under this Policy, the same shall be reviewed by the Committee. The Committee shall evaluate the transaction and may decide such action as it may consider appropriate including ratification, revision or termination of the Related Party Transaction, to the extent permissible under the law. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

5. Disclosures and Registers

- 1) Every Director and Key Managerial Personnel (KMP) shall disclose the parties in which they are deemed to be interested.
- 2) Every Director and KMP shall promptly notify the Secretarial Department of any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.
- 3) Each related party transaction, which requires approval of the Board, shall be referred to in the Board's report in the prescribed form together with justification for entering into such contract or arrangement. The Company shall also maintain the Register in the prescribed form.
- 4) The Company shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the Board from time to time and publish the same on its website.

- 5) Effective April 1, 2022, the Company shall make such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results.
- 6) Effective April 1, 2023, the Company shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results.
- 7) 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.
- 8) The Company shall keep and maintain a register either physically or electronically, as may be decided by the Board of Directors, giving separately the particulars of all contracts or arrangements to which this policy applies and such register is placed/taken note of before the meeting of the Board of Directors.
- 9) The Company shall disclose the policy on dealing with Related Party Transactions on its website www.wepdigital.com

Actions to be taken in case any related party transaction is not approved as prescribed by this policy

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all the relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control systems and shall take such action as it deems appropriate.

Where the Audit Committee determines not to ratify a related party transaction that has been commenced without proper approval, it may direct additional actions including, but not limited to, termination of the transaction or seek the approval of the Board or Shareholders, payment of compensation for the loss suffered by the related party etc. In connection with any review/approval of a related party transaction, the Audit Committee has the authority to modify or waive any procedural requirements of this Policy.

6. Amendments

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

This policy (including the thresholds) shall be reviewed by the Board of Directors at least once in three years and/or as and when required and updated accordingly.

Nothing in this policy shall override any provisions of law made in respect of any matter stated in this policy.

In case of any difficulty or doubt arises in the interpretation of this policy, the decision of the Chairman of the Audit Committee shall be final.

7. Review of Policy

This Policy shall be reviewed and reassessed periodically, being once in Three years and appropriately update the Terms of Reference, based on the changes that may be brought about due to any regulatory amendments or otherwise.