



KELLTON TECH SOLUTIONS LIMITED.

Kellton Tech Solutions' 'Related party transaction policy'

Introduction

In terms of clause 49 of the Listing Agreement, the Board of Directors (the “board”) of Kellton Tech Solutions Limited (the “company”), has adopted the following policy and procedures with regard to related party transactions as defined below. The audit committee will review and may amend this policy from time to time.

This policy is to regulate transactions between the company and its related parties based on the applicable laws and regulations applicable on the Company. This policy is intended to ensure the proper approval and reporting of transactions between the company and its related parties. Such transactions are appropriate only if they are in the best interest of the company and its shareholders. The company is required to disclose each year in the financial statements certain transactions between the company and related parties as well as policies concerning transactions with related parties.

Definitions

“Board” means board of directors of the company

“Committee” means audit committee of the board as constituted or reconstituted under provisions of Listing Agreement and Companies Act, 2013

“Control” shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

“Key Managerial Personnel” means key managerial personnel as defined under the Companies Act, 2013 and includes:

- i. Managing Director, or Chief Executive Officer or manager and in their absence, a whole- time director;
 - ii. Company Secretary; and
 - iii. Chief Financial Officer
- “Material Related Party Transaction” means a transaction with a related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

“Policy” means related party transaction policy

“Related Party” means related party as defined under clause 49 of the Listing Agreement



KELLTON TECH SOLUTIONS LIMITED.

“Related Party Transaction” means any transaction directly or indirectly involving any related party which is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged

“Relative” means relative as defined under the Companies Act, 2013

Policy

All related party transactions must be reported to the audit committee and referred for approval by the committee in accordance with this policy.

Identification of Potential Related Party Transactions

Each director and key managerial personnel is responsible for providing notice to the committee and board of any potential related party transaction involving him/ her or his/ her relative, including any additional information about the transaction that the board / committee may reasonably request. Board /committee will determine whether the transaction does, in fact, constitute a related party transaction requiring compliance with this policy. The company strongly prefers to receive such notice of any potential related party transaction well in advance so that the committee /board has adequate time to obtain and review information about the proposed transaction.

Prohibitions related to Related Party Transactions

All related party transactions shall require prior approval of the audit committee. Further, all material related party transactions shall require approval of the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

Review and Approval of Related Party Transactions

Related party transactions will be referred to the next scheduled meeting of the committee for review and approval. Any member of the committee who has a potential interest in any related party transaction will reclude him or herself and abstain from discussion and voting on the approval of the related party transaction. If the committee determines that a related party transaction should be brought before the board, or if the board in any case elects to review any such matter or it is mandatory under any law for board to approve the related party transaction, then the considerations set forth above shall apply to the board’s review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.



KELLTON TECH SOLUTIONS LIMITED.

Related Party Transactions not approved under this Policy

In the event the company becomes aware of a related party transaction with a related party that has not been approved under this policy prior to its consummation, the matter shall be reviewed by the committee. The committee shall consider all of 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 committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the committee under this policy, and shall take any such action it deems appropriate.

In any case, where the committee determines not to ratify a related party transaction that has been commenced without approval, the committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction; In connection with any review of a related party transaction, the committee has authority to modify or waive any procedural requirements of this policy.

Amendment to the Policy

The board on its own and/or as per the recommendations of the committee can amend this policy, as and when deemed fit. 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.