RELATED PARTY TRANSACTIONS POLICY

Background:

The Board of Directors (the "**Governing Board**") of Uniroyal Industries Limited **(Company)** has, basis the recommendation of the Audit Committee, adopted this Related Party Transactions Policy (this "**Policy**"), which defines and lays down the procedures with regard to Related Party Transactions, pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**").

Definitions:

"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 the committee of the Governing Board of the Company constituted in accordance with provisions of the SEBI LODR and the Companies Act, 2013.

"Governing Board" means the Board of Directors of the Company.

"Key Managerial Personnel" means key managerial personnel as defined under the Companies Act, 2013.

"**Material Modification**" means any change in the value of transaction exceeding 20% of the value of the original transaction with the related party already approved by the Audit Committee / Governing Board / Shareholder.

"Material Related Party Transaction" means a material transaction with a Related Party as provided in the explanation under Regulation 23 of the SEBI LODR which read as under:

Regulation 23(1) inter-alia provides 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 Company as per the last audited financial statements of the Company, whichever is lower.

Regulation 23(1A) inter-alia provides that notwithstanding the above, 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 Company as per the last audited financial statements of the Company.

"Ordinary course of business" means a transaction as may be so determined based on the guiding principles set down under Appendix A, which may be amended from time to time in accordance with the statutory requirements and other industry practices and guidelines.

"Policy" means this Related Party Transaction Policy.

"Related Party" means a related party as defined under Regulation 2(1)(zb) of SEBI LODR, under section 2(76) of the Companies Act, 2013 and under the Ind AS -24 "Related Party Disclosures", read with amendments issued from time to time.

"Related Party Transaction" means a related party transaction as defined under Regulation 2(1)(zc) of the SEBI LODR and section 188 of the Companies Act, 2013 and under the Ind AS -24 "Related Party Disclosures", read with amendments issued from time to time.

"Relative" with reference to a director or a Key Managerial Personnel means persons defined under Section 2(77) of the Companies Act read with amendments issued from time to time.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI LODR as amended from time to time or any other applicable law or regulation.

POLICY

1. MATERIALITY THRESHOLDS:

1.1 The Governing Board has, in accordance with the SEBI LODR, determined that a transaction with a related party shall be considered as material if the transaction to be entered into individually or taken together with previous transactions during a financial exceeds:

a. rupees one thousand crore or ten per cent of the annual consolidated turnover as per the last audited financial statements, whichever is lower.

b. five percent of annual consolidated turnover as per the last audited financial statements in case of a transaction involving payment with respect to brand usage or royalty.

1.2 The above threshold limit shall be reviewed by the Governing Board every three years or as per any amendments prescribed under the Companies Act, 2013 or SEBI LODR as the case may be.

2. PERIODIC IDENTIFICATION OF RELATED PARTIES:

2.1 Related parties shall be identified under the Companies Act, 2013, the SEBI LODR and Indian Accounting Standards - 24, as amended from time to time.

2.2 The Secretarial Department of the Company shall request information that may be required for inclusion in the list of Related Parties from all the Directors and Key Managerial Personnel of the Company.

2.3 Each Director and Key Managerial Personnel of the Company shall be required to inform the Secretarial Department of the Company of any change in the information previously provided on the list of Related Parties of the Company.

2.4 Each Director and Key Managerial Personnel is responsible for providing notice to the Governing Board or Audit Committee of any potential Related Party Transaction involving him / her or his / her relative, including any additional information about the transaction that the Governing Board / Audit Committee may reasonably request.

2.5 The list of identified Related Parties will be tagged and updated in the accounting system regularly and also periodically sent out to those officials of the Company that might be in the position to conduct or know of the possible conduct of Related Party Transactions.

3. APPROVALS FOR TRANSACTIONS WITH RELATED PARTIES:

3.1 Before undertaking any transaction, it must be examined by the Company whether such transaction qualifies as a Related Party Transaction, requiring compliance with this Policy. The

Chief Financial Officer in consultation with the Company Secretary and other persons, as appropriate, shall determine whether a transaction does, in fact, constitute a Related Party Transaction and if so, sought approval as provided in 3.2, 3.3 and 3.4 as the case may be.

3.2 Approval of Audit Committee:

3.2.1 All related party transactions and subsequent material modifications shall require prior approval of Audit Committee in terms of Regulation 23(2) of the SEBI LODR.

3.2.2 The related party transactions shall only be approved by the members of the Audit Committee who are independent directors.

3.2.3 The Company may also obtain omnibus approval from the Audit Committee for such transactions, subject to compliances set out in Regulation 23(3) of the SEBI LODR.

3.3 Approval of the Governing Board:

3.3.1 All related party transactions which are not in the Ordinary course of business or qualify as an Arm's Length Transaction will be put up for prior approval of the Governing Board.

3.4 Approval of the Shareholders:

3.4.1 All material related party transaction and subsequent material modifications shall be placed for prior approval of the shareholders in terms of Regulation 23(4) of the SEBI LODR.

3.5 Exempted Transactions:

3.5.1 The requirement of seeking approval of the Audit Committee or Governing Board or the Shareholders shall not apply in respect of exempted transactions as specified under section 188 of the Companies Act, 2013 and read along with the rules made thereunder and Regulation 23 (5) of the SEBI LODR and any other applicable laws.

4. VOTING REQUIREMENTS:

4.1 Before approving any Related Party Transaction, the Chief Financial Officer must express a reasoned opinion on the Company's interest in carrying out the transaction and on the benefits and substantive fairness of the related terms. In determining whether to approve or ratify a Related Party Transaction, the Audit Committee / Governing Board, as the case may be, shall take into account among other factors it deems appropriate, whether the Related Party Transaction is in the Ordinary course of business of the Company and whether it qualifies as an Arm's Length Transaction and the extent of the Related Party's interest in the transaction.

4.2 The term Ordinary course of business has been elaborated in Appendix A to this Policy. For this purpose, the Audit Committee / Governing Board, as the case may be, is entitled to seek

the assistance of any employee of the Company or one or more independent experts of its choice at the expense of the Company.

4.3 Any member of the Audit Committee who has a potential interest in any Related Party Transaction will abstain from any discussions or voting on such proposals.

4.4 If any director of the Company is interested in any contract1 or arrangement with a Related Party, such director cannot be present at the Audit Committee / Board meeting of the Company during discussions in the matter.

5. ORDINARY COURSE OF BUSINESS AND ARM'S LENGTH PRICE:

5.1 Arm's length pricing in respect of all Related Party Transactions shall be determined in accordance with the policy memos adopted by the Governing Board for specified Related Party Transactions, where such memos have been prepared.

5.2 All proposed Related Party Transactions may be assessed as to whether they are in the Ordinary course of business by reference to the Company's Note on 'Determination of Ordinary Course of Business', as approved by the Audit Committee.

6. RELATED PARTY TRANSACTIONS APPROVED UNDER THIS POLICY:

6.1 The Audit Committee has reviewed the types of Related Party Transactions of the Company and determined that each of the transactions listed below are Ordinary course of business and shall be deemed to be pre-approved by the Audit Committee, subject to qualifying as an Arm's length Transaction requirements as per the policy memos (and the accompanying contract memos) adopted by the Governing Board for specified Related Party Transactions and compliance of Regulation 23(3) of the SEBI LODR.

a. Depository Services.

b. Registrar and Transfer Agent Services.

c. PAN and / or KYC operations related services.

d. Providing technology and cyber security related services with respect to customization & maintenance, onsite IT support, software / hardware license procurement and annual maintenance services.

e. Provision of rent and infrastructure support services.

f. Provision of network usage services.

g. Transfer and / or deputation of employees to group companies.

h. Investment in equity / preference shares in the subsidiaries, joint ventures and associates companies.

7. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY:

7.1 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 Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances and 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 shall take any such action it deems appropriate.

7.2 The members of the Audit Committee may ratify the Related Party Transactions subject to conditions mentioned in Regulation 23(2)(f) of the SEBI LODR.

8. DISCLOSURE AND REPORTING:

8.1 Details of the Related Party Transactions during the quarter shall be disclosed in the Audit Committee and Board meeting.

8.2 The Company shall submit to the stock exchange disclosure of related party transactions in the format specified by SEBI from time to time and publish the same on its website.

8.3 In case the Company has issued high value debt securities then it shall submit such disclosure along with its standalone financial results for the half year.

8.4 The Company shall make such disclosures every six months on the date of publication of half yearly/annual standalone and consolidated financial results.

8.5 Director's report shall contain details of Related Party Transactions as required under the Companies Act, 2013.

8.6 The Annual Report shall contain details of Related Party Transactions as required under the Companies Act, 2013, Schedule V of SEBI LODR and Ind AS -24 "Related Party Disclosures".

9. REVIEW OF THE POLICY:

9.1 The adequacy of this Policy shall be reviewed and reassessed by the Audit Committee periodically and appropriate recommendations shall be made to the Governing Board to update the Policy based on the changes that may be brought about due to any regulatory amendments or otherwise. The policy shall be reviewed by the Board of Directors at least once in every three financial years including threshold limits specified therein and updated accordingly.