

RELATED PARTY TRANSACTION (RPT)

1. TITLE

This policy shall be called "RPT Policy on materiality and dealing with related party transactions".

2. OBJECTIVE

The Objective of this policy is to set out the dealing with the transaction between the Company and its related parties based on the Act, Clause 49 of the Listing Agreement and any other Laws and regulations as may be applicable to the Company.

3. DEFINITIONS

- a) 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.
- b) Company means Women's Next Loungeries Limited.
- c) Audit committee means the audit committee of Women's Next Loungeries Limited.
- d) Board means the Board of directors of Women's Next Loungeries Limited.

e) Material related party transaction in relation to the company means a related party transaction which individually or taken together with previous transaction with a related party during the financial year, exceeds 10 percent of the annual "consolidated turnover" of the

Company as per the last audited financial statements of the Company, or any other limit as may be prescribed from time to time under clause 49 of the Listing Agreement and Section 188 of Companies Act, 2013 and related rules thereon.

f) Policy means this policy, as amended from time-to-time.

g) Related Party in relation to the Company means a party related with the Company in any of the ways as are laid down in section 2(76) of the Companies Act, 2013 and clause 49 of the listing agreement.

h) Related party transaction in relation to the Company means a transaction which is:

I. A transfer of resources, services or obligations between the Company and a related party regardless of whether a price is charged.

II. a contract or arrangement with a related party with respect to:

- i. sale, purchase or supply of any goods or materials;
- ii. selling or otherwise disposing of, or buying, property of any kind;
- iii. leasing of property of any kind;
- iv. availing or rendering of any services;
- v. appointment of any agent for purchase or sale of goods, materials, services or property;

- vi. such related party's appointment to any office or place of profit in the Company its subsidiary company or associate company ;and
 - vii. underwriting the subscription of any securities or derivatives thereof, of the Company;
- III. Defined as a "related party transaction" under the relevant provisions of the Companies Act, 2013 or the Listing Agreement or any other related law, regulation, standard etc.

4. APPLICABILITY

This policy shall be applicable to all the related party transactions entered in to by the Company with the related party as defined in the policy.

5. APPROVAL OF RELATED PARTY TRANSACTIONS

- a) All related party transactions shall require prior approval of the audit committee. The approval of the audit committee can be granted by way of circular resolution. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:
 - i. The audit committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.

ii. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;

iii. Such omnibus approval shall specify

- the name/ s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,
- the indicative base price I current contracted price and the formula for variation in the price if any and
- 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 1 Crore per transaction.

IV. Audit Committee shall review, at least on a quarterly basis, the details of RTPs entered into by the Company pursuant to each of the omnibus approval given.

V. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

b) All non-material related party transaction shall require prior approval of shareholders through Ordinary Resolution as per Companies Act, 2013, whereas all material related party transaction shall require approval of shareholders through Special Resolution as per Clause 49 of listing agreement. However, no approval of audit committee and shareholders

would be required for the 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 general meeting for approval.

- c) Prior approval of Audit Committee, Board and the shareholders by way of passing Ordinary resolution in their general meeting, would be required in following situations.
 - I. In case of non -material related party transaction which is not in ordinary course of business or
 - II. In case of non -material related party transaction which is in the ordinary course of business but is not an arm's length transaction.

- d) Prior approval of Audit Committee, prior approval of Board and approval of shareholders (may or may not be prior) by way of passing Special resolution in their general meeting, would be required following situations.
 - I. In case of material related party transaction which is not in ordinary course of business or
 - II. In case of material related party transaction which is in the ordinary course of business but is not an arm's length transaction.
 - III. In accordance with the provisions of Clause 49 (VII) (D) read with third proviso to Section 188 of the Companies Act, 2013, prior approval of only audit committee would be required for all related party transactions which is not a material related party transaction and which is in ordinary course of the business and an arm's length transaction.

- e) Where any director is interested in any contract or arrangement with related party, such director shall not be present in the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.
- f) The related party shall abstain from voting as shareholders in case of related party transactions which require the approval of shareholders.

6. PROCESS FOR DEALING WITH RELATED PARTY TRANSACTIONS

- a) A list of all the related parties in relation to the Company shall be provided by the Company Secretary to all the concerned departments, and updated from time-to-time, in consultation with Chief Financial Officer of the Company.
- b) Every department, prior to entering in to any contract or arrangement with a related party, shall fill the details of contract and arrangement in the format enclosed as an annexure to the Policy and submit the same to the secretarial department.
- c) The Company Secretary shall, within five working days of submission of details, convey to the concerned department the approvals required if any for the contract/ arrangement and approximate time within which such approval can be obtained.
- d) The Company Secretary may ask for further information about the contract/arrangement, if felt necessary, to determine the nature/type of transaction.

- e) The contract/ arrangement shall not be entered in to without the necessary approval from the audit committee/Board/shareholders, if such prior approvals are necessary under the policy.
- f) The Company Secretary shall arrange for the approval of the audit committee/Board/shareholders, as may be necessary and upon receipt of necessary approval convey the same to the concerned department.

7. AMENDMENTS:

Any subsequent amendment or modification in the listing agreement and/ or other applicable laws in this regard shall automatically apply to this Policy.

8. INTERPRETATION

- a) Any words used in this policy but not defined herein shall have the same meaning as prescribed to it in the Companies Act, 2013 or rules made there under, SEBI Act or rules and regulations made there under, listing agreement, Accounting Standards or any other relevant legislation/law applicable to the company.
- b) The reference to the male gender in this policy shall be deemed to include a reference to female gender.
- c) In case of any dispute or difference upon the meaning/interpretation of any word or provision in this policy, the same shall be referred to the audit committee and the decision of the audit committee in such case shall be final. In interpreting such term/provision, the audit committee may seek the help of the officers of the Company or an outside expert as it deems fit.

9. DISCLOSURE:

Company shall disclose this policy or any amendment thereof, on its website.