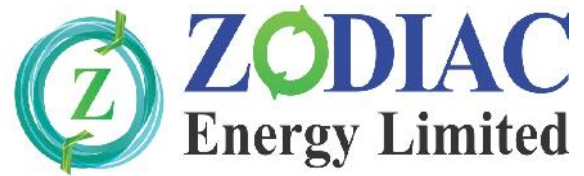




RELATED PARTY TRANSACTIONS POLICY



The Board of Directors (the “Board”) of Zodiac Energy Limited (the “Company”), has adopted the following policy regarding materiality of Related Party Transactions in terms of clause 49(VII)(C) of the Listing Agreement and Section 188 of Companies Act,2013. The Board will review and may amend policy from time to time.

No related Party Transaction may be entered into by the Company or its Key Managerial Personnel except in accordance with this policy.

PURPOSE:

This policy is intended to ensure the proper approval and reporting of transactions between the Company and any of “Relate Party” as defined below which includes its Directors, Key Managerial Personnel and their relatives or certain entities or persons related to them. This includes disclosure to be made each day in director’s report about particulars of contracts and arrangements with related party referred to in sub section (1) of section 188 of Companies Act, 2013 in the prescribed form. In addition, the audit committee and the Board have to review any Related Party Transactions involving Independent Directors as a part of annual determination of their Independence as provided under Section 149 of Companies Act,2013.

DEFINITIONS:

“**Related Party**” referred under section 2(76) of Companies Act,2013 which is defined as under:

“**Related Party**”, with reference to a company, means—

- (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 ¹[or his relative] is a member or director;
- (v) A public company in which a director and manager is a director ²[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 Company 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 the company;"

Further as per the Companies (Specification of definition details) Rules,2014, a Director or Key Managerial Personnel of the holding Company or his relatives with reference to a Company, shall be deemed to be a related party.

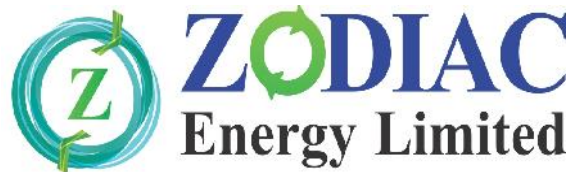
“Related Party Transaction” (‘RPT’) means all the transactions between the Company on one hand and one or more related party/ parties on the other hand including contracts, arrangements and transactions as envisaged in Section 188(1) of the Companies Act, 2013 and/ or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Relative” with reference to any person, means any one who is related to another, if—

- (i) They are members of a Hindu Undivided Family;
- (ii) They are husband and wife;

Further as per Rule 4 of Companies (Specification of definition details) Rules,2014, A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-

- (1) Father:
Provided that the term “Father” includes step-father.
- (2) Mother:
Provided that the term “Mother” includes the step-mother.
- (3) Son:
Provided that the term “Son” includes the step-son.
- (4) Son’s wife.
- (5) Daughter.
- (6) Daughter’s husband.
- (7) Brother:
Provided that the term “Brother” includes the step-brother;
- (8) Sister:
Provided that the term “Sister” includes the step-sister.



“Committee” committee shall mean Audit Committee.

POLICY FOR IDENTIFICATION OF RELATED PARTIES:

1. Identify all transactions which fall within the ambit of related party transactions both as per provision of Listing Agreement, the Companies Act, 2013 and Rules made thereunder.
2. To Prepare Complete list of Related Party transaction in specific format.
3. To seek necessary approvals of Audit Committee/Board/Shareholders as may be necessary , after providing necessary information in the prescribed manner.
While according such approval(s), the Related Party transactions are to be considered as appropriate if they are in the interest of the Company and other stakeholders.
4. To make necessary disclosure in the Directors Report as well as on the website of the Company.

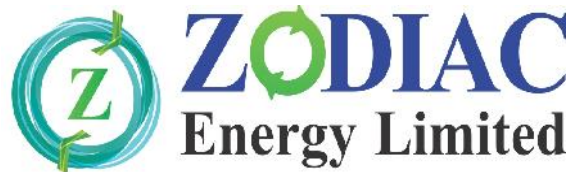
IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTION:

Each director and Key Managerial Personnel is responsible for providing notice to the company Secretary and potential Related Party Transaction involving him or her or his relative, including any additional information about the transaction that the Company Secretary may reasonably request. The Company Secretary in consultation with other members or management, as she/he deems appropriate, and as per existing laws, 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 Company Secretary has adequate time to obtain and review information about the proposed transaction and to refer it to the Audit Committee for its prior approval in terms of Listing Regulations. Any subsequent modification of transactions of the Company with related parties will also require approval of Audit Committee.

MATERIALITY OF RELATED PARTY TRANSACTION:

As per Listing Regulations, a transaction shall be considered **material** if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the net worth of the Company as per the last audited financial statements of the Company, whichever is higher. All such transactions require prior approval of the shareholders by way of special Resolution.



Section 188 of Companies Act,2013 and Rules made thereunder, prescribed that Company's having paid up Capital of ten crores or more will require prior approval of the shareholders by way of special Resolution, for all related party transactions, as mentioned below (as **Specified Transactions**):-

SR NO	NATURE OF TRANSACTION
1	Sale, Purchase Or Supply Of Any Goods Or Materials;
2	Selling Or Otherwise Disposing Of, Or Buying, Property Of Any Kind
3	Leasing Of Property Of Any Kind;
4	Availing Or Rendering Of Any Services;
5	Appointment Of Any Agent For Purchase Or Sale Of Goods, Materials, Services Or Property;
6	Such Related Party's Appointment To Any Office Or Place Of Profit In The Company, Its Subsidiary Company Or Associate Company; And
7	Underwriting The Subscription Of Any Securities Or Derivatives Thereof, Of The Company

REVIEW AND APPROVAL PROCESS:

Approval of the Audit Committee:

All Related Party Transactions must be reported to the Company Secretary/Secretary of the Audit Committee, who in turn, has to refer this to the said committee for its approval or ratification in accordance with provisions of Companies Act and rules made thereunder .

Approval of Board:

Prior consent of the board of Director is required for all specified Related Party Transactions.

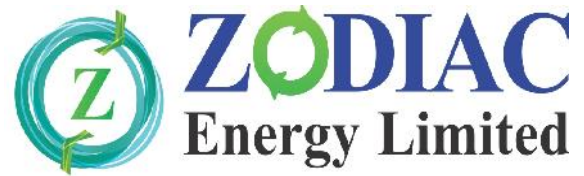
No director who is interested in any such contract or arrangement shall be present at the meeting during discussion on the subject matter of the resolution proposed for Board approval.

Approval of shareholders:

All material Related Party transactions and transactions mentioned in the Sub Section 1 of Section 188 of companies Act,2013 will require approval of shareholders through Special Resolution and the related parties will have to abstain from voting on such resolution.

No member who is a Related Party shall vote on Special Resolutions stated above.

Any Specified Transactions which are in ordinary course of business of the Company and on arms lengths basis do not require any Board Approval or shareholder's Approval.



Specified Transactions which are (1) in the ordinary course of Business of the company but are not on arm's length basis; or (2) not in ordinary course of business of a company (irrespective of whether on arm's length basis or not) require Board Approval as well as Shareholder's Approval.

FACTORS TO BE CONSIDERED WHILE DEALING WITH RELATED PARTY TRANSACTION:

In determining whether to approve or ratify a Related Party Transaction, the Committee or the Board will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

1. Whether the transaction with the Related Person is proposed to be entered into (or was entered into) on terms no less favorable to the Company than terms that could have been reached with an unrelated Party;
2. The Purpose of, and the Potential benefits to the Company of, the transaction.
3. Whether the Related Party Transaction would impair the Independence of otherwise Independent Director
4. Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into consideration the size of transaction, the direct or indirect interest in nature of transaction and the ongoing nature of any proposed relationship and any other factors the committee deems fit.

In any case where the Committee determines not to approve Related Party Transaction, the Committee may direct modification of the transaction in a way to make it acceptable for approval. Further, the Committee will have authority to modify or waive any procedural requirements of this Policy.