



FLAIR WRITING INDUSTRIES LIMITED

POLICY IN DEALING WITH AND MATERIALITY
OF RELATED PARTY TRANSACTIONS



FLAIR WRITING INDUSTRIES LIMITED

POLICY IN DEALING WITH AND MATERIALITY OF RELATED PARTY TRANSACTIONS

Introduction and Background

Flair Writing Industries Limited (the “Company” or “FWIL”) recognizes that related party transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stakeholders' best interests.

Scope & Inclusion

This policy sets definition of materiality of related party transactions and dealing with related party transactions.

Terms and References

Materiality of related party transactions: Contracts / arrangements with a related party shall be considered as “material” related party contracts / arrangements if the transactions during a financial year under such contracts / arrangements exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such other thresholds as may be prescribed under applicable law.

Policy

1. All related party contracts / arrangements shall be entered on arms' length basis.
2. In exceptional circumstances, where permitted by applicable law, related party contracts /arrangements may deviate from the principle of arm's length, after approval from Audit Committee.
3. All related party contract / arrangements shall comply with the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and other applicable law.
4. All related party contract / arrangements shall comply with Accounting Standards.
5. All domestic related party contracts / arrangements shall, wherever applicable, comply with Domestic Transfer Pricing Requirement under the Income Tax Act 1961 including certification from independent accountants under the Transfer Pricing Regulations.
6. All international related party contracts / arrangements shall, wherever applicable, comply with Domestic Transfer Pricing Requirement under the Income Tax Act 1961



including certification from independent accountants under the Transfer Pricing Regulations.

7. Relevant approvals/resolutions of Audit Committee, the Board and the shareholders of the Company shall be taken for related party contracts / arrangements as required under the Companies Act, the Listing Regulations and other applicable law.

(This document was approved by the Board of Directors at its Meeting held on August 16, 2018)