

**Policy on Materiality and dealings in Related Party Transactions  
of Gulf Oil Lubricants India Limited ("Company")**

**1. Introduction**

This Policy is framed by the Company pursuant to Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**2. Definitions**

(a) **"Act"** means Companies Act, 2013 including any statutory modification or re-enactment thereof;

(b) **"Board"** means Board of Directors of the Company.

(c) **"Related Party"** with reference to the Company, means an entity where:

(i) Such entity is a related party as defined under section 2(76) of the Companies Act, 2013; or

(ii) Such entity is a related party under the applicable accounting standards.

(d) **"Related Party Transaction"** means a transaction between the Company and a Related Party which transaction is of the nature specified in sub-clause (a) to (g) of section 188(1) of the Companies Act, 2013, or is a related party transaction as understood under Regulation 23 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015.

**3. Transactions between Company & Related Parties & Materiality Threshold** Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provisions of the Companies Act, 2013 and of Regulation 23 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015.

a) A transaction with the Related Party shall be treated as "material" if the transaction /transactions to be entered into individually or taken together with previous transaction(s) during a financial year with such Related Party exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

b) 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, exceeds two percent (2%) of the annual consolidated turnover of the Company as per last audited financial statements of the Company.

The above threshold limits (*given in 3(a) and 3(b)*) has been approved by the Board of Directors of the Company at their meeting held on 13<sup>th</sup> February, 2019 and shall be reviewed further by the Board at least once every three years.

**4. Internal Processes in regard to Related Party Transactions:**

The Company shall, with the approval of the Board of Directors, establish appropriate internal processes for the purpose of identification of Related Parties and any transactions with them, determination of whether the transaction(s) is in ordinary course of business, whether the transaction(s) is on an arm's length basis, monitoring "materiality" threshold, and other relevant matters to ensure adherence to this policy in entering into transactions with Related Parties.

**5. Amendment:**

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Listing Agreement, Act or any law for the time being in force.

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