

NIIF INFRASTRUCTURE FINANCE LIMITED**POLICY ON RELATED PARTY TRANSACTIONS**

NIIF Infrastructure Finance Limited is committed to good corporate governance practices, including matters relating to Related Party Transactions. An endeavor is made to have transactions only on arm's length basis and in the ordinary course of business with Related Parties. Taking into account the provisions of Companies Act, 2013 and Rules made there under and in the back-drop of the Company's philosophy on such matters, a Policy is hereby framed as under :-

1. All Related Party Transactions shall require prior approval/ratification of the Audit Committee. Prior approval of the Audit Committee shall be obtained for all Related Party Transactions except Related Party Transactions with IDFC Limited and its Group Companies which are in the ordinary course of business and at its arm length business, which shall be ratified on quarterly basis by Audit Committee Meeting.
2. However, the Audit Committee may, in the interest of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following conditions to be contained in the omnibus approval :
 - (i) specify the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, wherever possible;
 - (ii) specify the indicative base price / current contracted price and the formula for variation in the price, if any and
 - (iii) such other conditions as the Audit Committee may deem fit.
3. The Audit Committee may also, in the interest of the Company, grant omnibus approval for Related Party Transactions that cannot be foreseen and for which the aforesaid details are not available subject to their value not exceeding Rs. 1 crore per transaction or such other amount as may be prescribed in the applicable regulations in this regard from time to time.
4. The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.

Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
5. In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm's length, the Company shall comply with the provisions of the Companies Act, 2013 and the Rules framed there under and obtain approval of the Board or its shareholders, as applicable, for such contract or arrangement.
6. Any transaction with related party entered into without obtaining the consent of the Board or approval by a special resolution should get ratified within a period of three months otherwise, it is voidable at the option of the Board.