

## POLICY ON RELATED PARTY TRANSACTIONS

### GRAVITY INDIA LIMITED

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#### 1. PREAMBLE

This Policy on Related Party Transactions ("Policy") is formulated in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Section 188 of the Companies Act, 2013 ("the Act") and the rules made thereunder, to ensure the proper approval and reporting of transactions between the Company and its Related Parties.

The Board of Directors of **Gravity India Limited** ("the Company") has adopted this Policy to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations.

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#### 2. OBJECTIVE

The objective of this Policy is to ensure:

- Proper identification, approval, and reporting of transactions with Related Parties.
  - Transparency and fairness in dealings with Related Parties.
  - Compliance with applicable legal and regulatory requirements to protect the interest of shareholders and stakeholders.
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#### 3. DEFINITIONS

Unless otherwise stated, the definitions set out below shall have the same meaning as provided in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

##### a) "Related Party"

As defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI (LODR) Regulations, 2015.

##### b) "Related Party Transaction (RPT)"

A transaction involving a transfer of resources, services or obligations between the Company and a Related Party, regardless of whether a price is charged.

##### c) "Material Related Party Transaction"

A transaction with a Related Party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed **₹1,000 crore or 10% of the annual consolidated turnover of the Company**, whichever is lower (as per Regulation 23(1) of SEBI LODR).

##### d) "Arm's Length Basis"

A transaction between two related parties that is conducted as if they were unrelated, ensuring that there is no conflict of interest.

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#### 4. POLICY FRAMEWORK

All Related Party Transactions shall be:

- In the **ordinary course of business**; and
- On an **arm's length basis**; and
- In compliance with this Policy and applicable laws.

Any transaction which is not in the ordinary course of business and/or not at arm's length shall require prior approval of the **Board of Directors** and, if applicable, **shareholders** by way of a resolution.

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#### 5. APPROVAL MECHANISM

##### (A) Audit Committee Approval

- All Related Party Transactions shall require **prior approval of the Audit Committee**.
- The Audit Committee may grant omnibus approval for repetitive transactions subject to conditions prescribed under Regulation 23(3) of SEBI (LODR) Regulations.
- Any modification or material change in an approved RPT shall also require fresh approval.

##### (B) Board Approval

Transactions not in the ordinary course of business and/or not on an arm's length basis shall require **Board approval** after recommendation of the Audit Committee.

##### (C) Shareholders' Approval

Material Related Party Transactions shall be placed before shareholders for approval through a resolution.

All related parties shall abstain from voting on such resolutions.

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#### 6. DISCLOSURE REQUIREMENTS

The Company shall make necessary disclosures as under:

- Details of RPTs in the Board's Report along with justification under Section 188(2) of the Act.
- Disclosure to the Stock Exchanges within the prescribed timeline as per Regulation 23(9) of SEBI (LODR).
- Web disclosure of this Policy and material RPTs on the Company's website: [Gravity India Limited](#)
- Maintenance of a register of contracts/arrangements as per Section 189 of the Act.

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## **7. REVIEW OF POLICY**

This Policy shall be reviewed by the Audit Committee and Board of Directors at least once every three years or as may be required due to regulatory changes.

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## **8. CONSEQUENCES OF NON-COMPLIANCE**

Any RPT undertaken in violation of this Policy or applicable law shall be voidable at the option of the Board or shareholders and may attract penalties under the Companies Act and SEBI regulations.

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## **9. AMENDMENTS**

Any amendment to this Policy shall be made only by the Board of Directors of the Company based on the recommendation of the Audit Committee, in compliance with applicable laws.

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**For and on behalf of Gravity India Limited**