



JUBILANT FOODWORKS LIMITED

POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS

1. Purpose

This policy aims to determine the materiality of Related Party Transactions ('RPTs') and to deal with RPTs of Jubilant FoodWorks Limited (the 'Company').

This policy is framed in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and Section 177 and 188 of the Companies Act, 2013 (the 'Act') read with Rules made there under.

II. Approvals and Review

- a) All RPTs including any modification/renewal thereof shall require prior approval of the Audit Committee (the 'Committee').
- b) The Committee shall grant omnibus approval for RPTs proposed to be entered into by the Company, subject to the following conditions:
 - (i) The proposed RPTs are repetitive in nature and the Committee is satisfied that such omnibus approval is in the interest of the Company;
 - (ii) The Committee shall lay down the criteria for granting omnibus approval for RPTs which shall, *inter alia*, include the following:
 - a) Maximum value of the transactions which can be allowed under the omnibus route and maximum value per transaction, in a financial year;
 - b) Disclosures to be made to the Committee at the time of seeking omnibus approval;
 - c) Periodicity of review of RPTs entered into by the Company pursuant to the omnibus approval;
 - d) Transactions which shall not be allowed under the omnibus approval route;
 - e) Period of validity of omnibus approval which shall not exceed one financial year.

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Version 1.1		Effective Date	
Recommended BY	Audit Committee	Date of Audit Committee Meeting	October 30, 2014 & February 11, 2016
Approved By	Board of Directors	Date of Board Meeting	October 30, 2014 & February 11, 2016

- c) Every RPT which is “Material” as defined in Para III of this Policy, shall require approval of the shareholders by way of an ordinary resolution. All Related Parties shall abstain from voting on such resolution, irrespective of whether they are party to the particular transaction or not.
- d) All RPTs prescribed under Section 188 of the Companies Act, 2013 which are either not in the ordinary course of business or are not at arm’s length, shall require prior approval of:
 - (i) Board; and
 - (ii) Shareholders, if amount of such transactions exceeds the limits prescribed in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. The concerned Related Party shall abstain from voting on the resolution.
- e) All RPTs including RPTs approved through omnibus approval, shall be reviewed post facto by the Committee on a quarterly basis. The Committee shall be informed whether the RPTs have been entered into in the ordinary course of business and on arm’s length basis.

III. Material Related Party Transactions

Pursuant to the provisions of Regulation 23 of the Listing Regulations, a transaction with a related party shall be considered ‘Material’ if the transaction to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

IV. Transactions with Wholly Owned Subsidiaries

Provisions of Para II (c and d) of this Policy shall not be applicable to any transaction with a wholly owned subsidiary whose accounts are consolidated with the accounts of the Company and placed before the shareholders at the general meeting for approval.

V. Disclosures

- a) Particulars of RPTs shall be disclosed in such manner as may be prescribed under the Listing Regulations and/or the Act (including rules made thereunder), from time to time.
- b) This Policy shall be disclosed on the Company’s website www.jubilantfoodworks.com and a web link thereto shall be provided in the Annual Report of the Company.

VI. Review / Amendment

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

This Policy was originally recommended by the Audit Committee to the Board on October 30, 2014 and the Board approved the same on October 30, 2014. The Policy was further modified by the Board on February 11, 2016 on recommendation of Audit Committee.

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