

LOOKS HEALTH SERVICES LIMITED

Policy on Related Party Transaction

Pursuant to Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) which came into effect from December 01, 2015, this policy applies to transactions entered into with a Related Party on or after October 01, 2015, or any modifications effected on or after October 01, 2015 to subsisting transactions with Related Parties:

Definitions:

- (a) “**Act**” means Companies Act, 2013 including any statutory modifications or reenactments thereof;
- (b) “**Board**” means Board of Directors of the Company;
- (c) “**Related Party**” with reference to the Company, means an entity where:

Such entity is a related party as defined under section 2(76) of the Companies Act, 2013 and regulation 2 (zb) of the Listing Regulations;

or

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 2 (zc) of the Listing Regulations.
- (e)

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 Regulation 23 of the Listing Regulations.

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 exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

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, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Approvals required for Transaction(s) with Related Party(s)

The Company shall not enter into any transaction/contract/ arrangement with a Related Party without the prior approval of the Audit Committee unless the transaction /contract/arrangement enjoys any exemption as provided under the Companies Act, 2013 or Rules made thereunder or under the SEBI Listing Regulations.

The Audit Committee may grant omnibus approval for Related Party Transaction proposed to be entered into by the company, subject to the conditions as stated under Companies Act, 2013 and Regulation 23(3) SEBI Listing Regulations.

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 thereunder and obtain approval of the Board or its shareholders, as applicable, for such transaction/ contract /arrangement.

Internal Processes for the Related Party Transactions

The Board of Directors of the Company after considering the recommendations of the Audit Committee, 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, and 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.

Disclosure(s) of Related Party Transaction

Details of all Material Related Parties Transactions, if any, shall be disclosed, on quarterly basis, along with the Compliance Report on Corporate Governance, to the Stock Exchanges. Apart from this, as per Regulation 23(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Related Parties Transaction shall be disclosed within 30 days from the date of publication of its standalone financial results for the half year to the Stock Exchange. The Company shall disclose this policy on its website and provide its web link in the Annual Report. In addition to the disclosures required under Accounting Standard, Related Party Transactions that are not at arm's length basis and Material Related Party Transactions that are at arm's length or such other transactions as may be statutorily required, shall be disclosed in the Annual Report of the Company

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 Regulations, Act or any law for the time being in force. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

Further, this policy shall also be reviewed by the Board of Directors at least once in every three years and updated accordingly.