



INTERGLOBE AVIATION LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

CONTENTS

1. PREAMBLE	3
2. PURPOSE	3
3. DEFINITIONS	3
4. PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTION	4
5. DISCLOSURES	6
6. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY	6
7. AMENDMENTS TO THE POLICY	7

1. PREAMBLE

As per Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a listed entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions.

In compliance with the above, this '**InterGlobe Aviation Limited - Policy on Related Party Transactions**' has been formulated, approved and adopted by the board of directors of InterGlobe Aviation Limited (the "Company").

2. OBJECTIVE

The policy describes the procedure to be followed along with the reporting and disclosure requirements for the transactions entered between the Company and its Related Parties. Such transactions shall be deemed appropriate only if they are in the best interest of the Company and its shareholders. In order to ensure the same and to set forth the procedure for entering into and execution of transactions with Related Party, the board of directors of the Company has adopted this Policy.

3. DEFINITIONS

For the purpose of the Policy the following terms shall have the meanings assigned to them hereunder:

- i. "**Act**" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars and re-enactment thereof;
- ii. "**Audit Committee**" means audit committee constituted by the Board in compliance with the provisions of the Act and SEBI Listing Regulations;
- iii. "**Board**" means the board of directors of the Company;
- iv. "**Director**" means a member of the Board;
- v. "**IndiGo**" or the "**Company**" means InterGlobe Aviation Limited;
- vi. "**Material Related Party Transaction**" means transaction(s) with the Related Party to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company;
- vii. "**Policy**" shall mean InterGlobe Aviation Limited - Policy on Related Party Transactions as amended from time to time;

viii. **“Related Party”** means a related party as defined under Section 2(76) of the Companies Act, 2013 or under the applicable accounting standards;

ix. **“SEBI Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Words and expressions used and not defined in this Policy but defined in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, the Companies Act, 2013, Accounting Standards and the Rules and Regulations made thereunder shall have the meanings respectively assigned to them in those legislation as the context may so require.

4. PROCEDURE FOR DEALING WITH RELATED PARTY TRANSACTION

A. Approval of the Audit Committee

All Related Party Transactions shall require prior approval of the Audit Committee. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- i. The Audit Committee shall lay down the criteria for granting the omnibus approval for Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;
- ii. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- iii. The omnibus approval shall specify;
 - a. the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,
 - b. the indicative base price / current contracted price and the formula for variation in the price, if any; and
 - c. such other conditions as the Audit Committee may deem fit;

However, in case of Related Party Transactions which cannot be foreseen and where the above details are not available, Audit Committee may grant omnibus approval provided the value does not exceed rupees one crore per transaction;

- iv. 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 approval given;

- v. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year;
- vi. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

B. Approval of the Board of Directors of the Company

As per the provisions of Section 188 of the Companies Act, 2013, all kinds of transactions specified under the said Section and which are not in the ordinary course of business and not at arm’s length basis and all material related party transactions are placed before the Board for its approval.

Register of Related Party transactions shall be maintained and placed before the next meeting of the Board, held after such transaction has taken place, and signed by all the directors present at the meeting.

C. Approval of the Shareholders of the Company

All Material Related Party Transactions will be placed before the shareholders for approval.

For this purpose, all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

In addition to the above, all kinds of transactions specified under Section 188 of the Act as mentioned below need approval of Shareholders:

- (a) are not in the ordinary course of business or not at arm’s length basis; and
- (b) exceed the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 (as amended from time to time (for thresholds limit - refer the table provided below)).

The threshold limits of transaction requiring approval of shareholders are summarized below:

S. No.	Description of Transaction	Threshold Limits
1.	Sale, purchase or supply of any goods or materials	Exceeding 10% of the turnover of the Company or Rs. 100 crores, whichever is lower.
2.	Selling or otherwise disposing of or buying property of any kind	Exceeding 10% of the net worth of the Company or Rs. 100 crores, whichever is lower.

S. No.	Description of Transaction	Threshold Limits
3.	Leasing of property of any kind	Exceeding 10% of the net worth of the Company or 10% of the turnover of the Company or Rs. 100 crores, whichever is lower.
4.	Availing or rendering of any services	Exceeding 10% of the turnover of the Company or Rs. 50 crores, whichever is lower.
5.	Appointment to any office or place of profit in the Company	Monthly remuneration exceeding two and half lakh rupees.
6.	Underwriting the subscription of any securities or derivatives	Monthly remuneration exceeding 1% of the net worth of the Company.

5. DISCLOSURES

Every Director of the Company is required to disclose the entities in which they or their relatives are interested or deemed to be interested in accordance the provisions of Section 184 of the Companies Act, 2013 read with the Rules made thereunder.

Related Party Transactions or contracts or arrangements entered shall be disclosed in the following manner:

- i. Every contract or arrangement, which is not in ordinary course of business or not on an arm's length basis, shall be disclosed in the Board's report to the shareholders along with justification for entering into such contract or arrangement;
- ii. Details of all Material Related Party Transactions shall be disclosed quarterly along with the compliance report on corporate governance; and
- iii. The Policy shall be disclosed on the website of the Company www.goindigo.in and a web link for the same shall be provided in the Annual Report of the Company every year.

6. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Audit Committee shall also

examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and failure of the internal control systems, and shall take any such action as it may deems appropriate.

7. AMENDMENTS TO THE POLICY

In case of any subsequent changes in the provisions of the Companies Act, 2013 or SEBI Listing Regulation, or any other regulations which makes any of the provisions in the Policy inconsistent with them, then such provisions would prevail over the Policy.

The board of directors of the Company reserves the right to modify and/or amend this Policy at any time subject to the provisions of SEBI Listing Regulations and the Companies Act, 2013 and Rules framed thereunder.