

**SUNDARAM FINANCE LIMITED****POLICY ON RELATED PARTY TRANSACTIONS  
(as per Regulations 23 (1) of SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015)  
(as amended on 28<sup>th</sup> March 2022)**

The Company shall enter into transactions with related parties only on an arm's length basis **within the limits approved by the Audit Committee under 'estimated values' and material modification** and supported by appropriate documentation. Deviations, if any, will be subject to necessary compliances under the provisions of the Companies Act, 2013 and / or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For this purpose, transaction(s) 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, **exceeds ₹1000 crores or 10% of the annual consolidated turnover** of the company as per the last audited financial statements of the company, whichever is lower.

However, transaction(s) involving payment(s) 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 5% of the annual consolidated turnover of the company as per the last audited financial statements of the company.

For this purpose **"Material Modification"** means any modification, either individually or taken together with any previous modification(s) made to the estimated values originally approved by the Audit Committee, which has the effect of a variation in the approved limits by 25% or more or ₹2 crore, whichever is higher.

