

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

Purpose

Related Party Transactions Policy of **K K Fincorp Limited** (The “Company”) is framed as per requirement of amended Clause 49 of the Listing Agreement and Section 188 Companies Act, 2013, intending to ensure the proper approval and reporting of transactions between the Company and its Related Parties.

Introduction and Background

The Company recognizes that related party transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stakeholders' best interests.

Scope

This policy sets definition of materiality of related party transactions and dealing with related party transactions

Terms and References

Materiality of related party transactions

Contracts / arrangements with a related party shall be considered as “material related party contracts / arrangements if the transactions during a financial year under such contracts / arrangements exceed the threshold prescribed by SEBI Circular-CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 or any amendment thereof.

Policy

- i. All related party contracts / arrangements shall be entered on arms' length basis.
- ii. In exceptional circumstances, where permitted by law, related party contracts / arrangements may deviate from the principle of arm's length, after approval from Audit Committee.
- iii. All related party contract / arrangements shall comply with the Companies Act, 2013, with Listing Agreement and Accounting Standards.
- iv. Approval of Audit Committee shall be taken for related party contracts / arrangements as required under the Companies Act and Listing Agreement.

Exempted Transactions

Related Party Transactions which are entered into by the Company in the ordinary course of business and on Arm's Length basis are exempted from any approvals

Amendments

The Board reserves its right to amend or modify this Policy in whole or in part,
