

POLICY ON MATERIALIY OF RELATED PARTY TRANSACTIONS

PURPOSE:

The Board of Directors of the Company has adopted this policy to regulate transactions between the Company and its Related Parties based on the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the recommendation of Audit Committee. This Policy also helps to determine the materiality of related party transaction and material modifications as per Section 188 of Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015. The Audit Committee and Board of Directors reserves its rights to amend this policy from time to time.

DEFINITIONS

All terms used in this Policy will have the meanings as assigned to them under the Companies Act and the Rules made thereunder, SEBI Listing Regulations, applicable accounting standards, as amended from time to time, besides the following

- (a) "Material related party transactions" means
- any transaction entered in to individually or together with the previous transactions during the financial year exceeds Rs. 1000 crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.
 - any transaction involving payments made to a related party with respect to brand usage or royalty, whether individually or together with the previous transactions during the financial year exceed 5% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
- (b) "Material Modifications" means any modification in terms of related party transactions, having a variance of 20% of the approved limit by the Audit Committee/Board of Directors.

MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

All the related party transactions and subsequent modifications shall be approved by the Audit Committee and Board Directors. The Audit committee shall review the approved related party transactions, once in every quarter.

Only the Independent Directors of Audit Committee shall approve the related party transactions.

I. Identification of related party and RPTs

Every Director and Key Managerial Personnel shall be responsible for providing to the Board or the Audit Committee, a list of his/her related parties, at the time of his/her appointment, on an annual basis and whenever there is a change in the information already submitted.

II. APPROVAL PROCESS OF RELATED PARTY TRANSACTIONS

(a) OMNIBUS APPROVAL

- The audit committee shall lay down the criteria for granting the omnibus approval in line with this policy.
- The audit committee may grant the omnibus approval for Related Party Transactions proposed to be entered in to by the Company subject to the following conditions:
 - i. the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,
 - ii. the indicative base price / current contracted price and the formula for variation in the price if any and
 - iii. such other conditions as the Audit Committee may deem fit;
Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.
 - iv. Audit Committee shall review, atleast on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.
 - v. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

(b) APPROVAL PROCESS FOR OTHER RELATED PARTY TRANSACTIONS

- All the Related Party transactions and subsequent modifications has to be approved by the audit committee and shall be recommended to the Board of Directors for their approval.
- All the Material Related Party Transactions has to be approved by the shareholders by the recommendation of Audit Committee and Board of Directors.

(C) TRANSACTIONS WHICH DONOT REQUIRE APPROVAL

The following transactions doesn't require any prior approval of audit committee/Board of Directors/ shareholders:

- (a) Payment of Dividend
- (b) Subdivision or consolidation of shares
- (c) Rights issue or Bonus issue
- (d) Buyback
- (e) Issue of securities through preferential issue.

(D) RELATED PARTY TRANSACTIONS WHICH ARE NOT APPROVED

If any related party transactions which are entered without any prior approval of the Audit Committee shall be ratified within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions:

- (i) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed Rs. 1 crore;
- (ii) the transaction is not material in terms of Regulation 23 of SEBI LODR;
- (iii) the rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
- (iv) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of Regulation 23(9) of SEBI LODR;
- (v) any other conditions specified by the audit committee.

Failure to ratification shall render the transaction voidable at the option of the Audit Committee and if the transaction is related with any director, then the concerned director has to indemnify the listed entity against the loss incurred by it.

DISCLOSURES

The Company shall make necessary disclosures as per the requirements under the Companies Act, SEBI LODR Regulations and Indian Accounting Standards, as the case may be within the prescribed timelines.

The Company shall also make specific disclosures for the review and approval of Related Party Transactions in the Audit Committee Meeting and/or General Meeting as the case may be, as prescribed in the Industry Standard Note issued by the Industry Associations under the aegis of the Stock Exchanges from time to time, in this regard.

AMENDMENT AND POLICY REVIEW

This policy shall be reviewed by the audit committee and Board of Directors at least once in three years. Any modification to the policy shall be approved by the Audit committee and Board of Directors.

THIS POLICY SHALL COME INTO EFFECT FROM 28TH MAY, 2025
