

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

I. PURPOSE

The Company acknowledges the fact that related party transactions can represent a potential conflict of interest which may prejudice the interest of the company and its stakeholders.

Bearing in mind the pre-requisites for approval of related party transactions under the Companies Act, 2013 ("Companies Act/the Act") read with the Rules framed there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("SEBI Listing Regulations"), the Board of Directors have adopted the following policy in relation to determining Materiality of Related Party Transactions and on dealing with Related Party Transactions. The Audit Committee will review and may recommend amendments to this Policy from time to time and as may be deemed necessary, for the approval of the Board.

The purpose of the Policy is to ensure an effective system of checks and disclosure process to encourage transparency, adoption of best governance practices and that all Related Party Transactions are in the best interests of all the members.

II. DEFINITIONS

"Arm's Length Transaction" shall mean a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest.

"Board of Directors" or "Board" in relation to a Company, means the collective body of Directors of the Company (Section 2(10) of the Companies Act).

"Key Managerial Personnel" or "KMP" means:

1. The Chief Executive Officer (CEO) or the Managing Director or the Manager as defined under the Act;
2. The Company Secretary;
3. The Whole- time director;
4. The Chief Financial Officer (CFO);
5. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
6. such other officer as may be prescribed.

"ISN" means Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", including any modification(s) / amendment(s) / re-enactment(s) thereof.

"Material Related Party Transactions" shall mean transaction with a related party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, if exceeds the following threshold:

Consolidated Turnover of Listed Entity	Threshold
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	Rs. 2,000 Crore + 5% of the annual consolidated turnover of the listed entity above Rs. 20,000 Crore
(III) More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above Rs. 40,000 Crore or Rs. 5000 Crores, whichever is lower.

Explanation: For the purpose of computing the thresholds stated above, the annual consolidated turnover of the Company shall be determined based on the last audited financial statements

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 (5%) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such other threshold as may be prescribed from time to time.

“Ordinary Course of Business” shall mean a transaction which is carried out in the normal course of business by the Company or is an activity as envisaged in the Memorandum of Association of the Company as amended from time to time.

“Related Party Transactions” or “RPTs” shall mean all transactions between the Company and one or more related party including contracts, arrangements and transactions as provided in Section 188(1) of the Companies Act and/or Regulation 2(zc) of SEBI Listing Regulations.

“Subsequent Material Modifications” shall mean any subsequent revision of at least ten percent (10%) of the total transaction value or any such threshold as maybe determined by the Board from time to time.

All the words and expressions used and not defined in this Policy, shall have meaning respectively assigned to them under the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act or any other applicable laws for the time being in force and rules and regulations made thereunder as amended, from time to time.

III. POLICY

All RPTs shall require prior approval of the Audit Committee. All Material RPTs and Material Modifications shall require prior approval of the Shareholders of the Company in accordance with this Policy. In dealing with RPTs, the Company will follow the below mentioned approach:

A. Identification of Related party:

The Company shall identify Related Parties as per the definition provided in the applicable laws, including the Companies Act and the SEBI Listing Regulations, as amended from time to time. The Company shall regularly verify and update the Related Party List and review and confirm (at least once a quarter) and in accordance with the applicable laws as prevalent.

B. Identification of RPTs:

1. Each Director and KMP will be responsible for providing notice to the Company or Audit Committee of any potential RPTs involving him or her or his or her relative;
2. Any other RPTs identified during the periodic review not covered under any specific broad category shall be independently reviewed, approved and included for conformance as a part of Related Party Policy mechanism.

C. Approval of RPTs:

1. Audit Committee approval

- i. All RPTs and subsequent material modifications shall require prior approval of the Audit Committee, except the Related Party Transactions exempted under applicable laws. The approval of the Audit Committee can be granted by way of a circular resolution or at a meeting or through electronic mode. However, the Audit Committee may grant omnibus approval for RPTs proposed to be entered into by the Company subject to compliance of the conditions contained in the Companies Act and Regulation 23 of SEBI Listing Regulations as amended from time to time. The omnibus approval shall be valid for a period of one year from the date of approval.
- ii. The Audit Committee shall have the discretion to recommend/refer any matter relating to any RPT to the Board for its approval.
- iii. Only those members of the Audit Committee, who are independent Directors, shall approve RPTs.
- iv. The Company shall, while placing any proposed RPTs before the Audit Committee for review and approval, provide the information in the format specified in the ISN, wherever applicable and/or minimum information as set out in Disclosure 13A issued by SEBI Circular dated October 13, 2025 and such other information as may be called for by the Audit Committee:

Related Party transactions of subsidiaries

- a) A related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction, exceeds the lower of the following:
 - i. ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
 - ii. the threshold for Material Related Party Transaction.
- b) In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, if the value of such transaction exceeds the lower of the following:
 - i. ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or

ii. the threshold for Material Related Party Transaction.

Provided that the aggregate value of paid-up share capital and securities premium account of the subsidiary shall be taken as on a date, not older than three months prior to the date of seeking approval of the audit committee.

Provided that prior approval of the Audit Committee of the Company shall not be required for RPTs where a listed subsidiary of the Company is a party but the Company is not a party, if regulation 23 and 15 (2) of SEBI Listing Regulations are applicable to such listed subsidiary.

Omnibus approval

Omnibus Approval shall be granted by the Audit Committee if following conditions are satisfied:

- Such RPTs are repetitive in nature (on cumulative basis);
- Such an approval is in the interest of the Company;
- Specify:
 - a) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transactions, in aggregate, that can be entered into in a year, maximum value per transaction which can be allowed;
 - b) the indicative base price/current contracted price and the formula for variation in the price if any (for eg: +/- 5%);
 - c) such other conditions as the Audit Committee may deem fit.

Provided that where the need for RPT cannot be foreseen and the 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.

- The Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Company pursuant to each of the omnibus approvals given.
- Such omnibus approvals shall be valid for a period not exceeding 1 financial year and shall require fresh approvals after the expiry of such financial year.
- All material RPTs and subsequent modifications as defined shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

2. Board approval and Shareholders' approval

All RPTs that are not in the ordinary course of business or not on arm's length basis shall require prior approval of the Board of Directors of the Company. Any member of the Board who has a potential interest in such RPTs will recuse himself or herself and abstain from voting on the approval of such RPTs. Such member may, however, participate in discussions with respect to other RPTs placed for approval of the Board.

Further, all related party transactions which are not in the ordinary course of business or not at the arm's length price and are exceeding threshold limits prescribed in section 188 of the Act as amended from time to time shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and all entities falling under the definition of Related Parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.

The Company shall, while placing any Material RPTs before the Shareholders for approval, shall provide in the Notice issued to the shareholders the information in the format specified in the ISN, wherever applicable and/or minimum information as set out in Disclosure 13A issued by SEBI Circular dated October 13, 2025.”

All material RPTs and subsequent Material Modifications shall require prior approval of the shareholders through Ordinary Resolution and no Related Party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that prior approval of shareholders of the Company shall not be required for RPTs where listed subsidiary is a party but the Company is not a party, if Regulation 23 and 15(2) of SEBI Listing Regulations are applicable to such listed subsidiary.

D. Deemed Approval

RPTs that shall not require separate approval under this Policy:

Any transaction pertaining to appointment and remuneration of Directors and KMPs that has already been approved by the Nomination and Remuneration Committee of the Company or the Board.

Provided that the Remuneration paid to Directors and KMPs forming part of the promoter / promoter group or is material in nature shall require approval of the Audit Committee.

IV. COMPLIANCE

Every person associated with RPTs shall be accountable for compliance with this Policy. In case of breach of Policy, Audit Committee may initiate appropriate action against the person/s responsible.

V. REVIEW OF THE POLICY

This policy shall be subject to review by the Board as may be deemed necessary or to meet any regulatory requirements.

VI. DISCLOSURES

a. This Policy is to be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report.

b. The Company shall submit information related to RPTs to the stock exchanges every six months, in the format as may be specified by the SEBI from time to time, simultaneously with the publication of financials and also publish the same on its website.

VII. REVIEW OF THE POLICY

This Policy shall be subject to review by the Board as may be deemed necessary or to meet any regulatory requirements.

In the event of any conflict between the provisions of the Policy and the Companies Act, 2013 or SEBI Listing Regulations or any other laws, rules and regulations as amended, from time to time the latter shall prevail.

VIII. EFFECTIVE DATE

This Policy was previously approved and adopted by the Board on February 10, 2022 and March 31, 2025 and was further on the recommendations of Audit Committee Meeting held on February 04, 2026 and approved by the Board of Directors at its meeting held on February 04, 2026 The revised Policy shall be effective from February 04, 2026.
