Policy On Materiality and Dealing with the Related Party Transactions

(Revised policy approved and adopted by the Board of Directors in their Meeting held on October 31, 2026)

1. Preamble

Greenleaf Envirotech Limited ("**Company**") has always been committed to the highest standards of corporate governance. As a matter of practice, the Company transacts business on an arm's length basis with its related parties in the ordinary course of business.

The Board of Directors has adopted this Policy on materiality and dealing with the Related Party Transactions ("**Policy**") upon the recommendation of the Audit Committee. The Policy sets out the materiality thresholds, defines material modifications, and prescribes the manner of dealing with and disclosing transactions between the Company and/or its subsidiary Companies and its related parties, in compliance with:

i. Section 177(4) and Section 188 of the Companies Act, 2013 ("**Act**") read with the Rules framed thereunder;
ii. Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations" or "LODR**");
iii. SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/135 dated October 13, 2025, on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" (**"October 2025 Circular"**), as amended from time to time;
iv. Indian Accounting Standard 24 (Ind AS 24) on Related Party Disclosures, or Accounting Standard 18 (AS 18) on Related Party Disclosures, as applicable to the Company;
v. Any other applicable rules, regulations and laws as may be issued and amended from time to time.

This Policy applies to all Related Party Transactions entered into by the Company and/or its subsidiaries with its related parties, provided they are being entered into in the best interest of the Company and its stakeholder

2. Objective

The objective of this Policy is to:

i. Set out the materiality thresholds for Related Party Transaction(s);
ii. Define what constitutes a "Material Modification(s)" to a Related Party Transaction;
iii. Prescribe the manner of dealing with, obtaining approvals for, and disclosing Related Party Transactions between the Company and/or its subsidiaries and its Related Parties as required under the Act, the SEBI Listing Regulations, and any other applicable laws;
iv. Ensure that the Company's dealings with Related Parties are transparent, fair, and in the best interest of all stakeholders; and
v. Avoid any potential or actual conflict of interest between the Company and its stakeholders.

3. Policy Principles:

All Related Party Transactions entered into by the Company or its subsidiaries shall, at all times, be governed by the following overarching governance principles:

i. Transparency: All Related Party Transactions shall be fully and accurately disclosed to the Audit Committee, the Board and the shareholders, as applicable, in the form and manner prescribed under this Policy and applicable law;

ii. Fairness: All Related Party Transactions shall be on terms that are fair and equitable to the Company and shall not, in any manner, be prejudicial to the interests of the Company or its minority shareholders;

iii. Commercial Justification: Every Related Party Transaction shall be commercially justified and shall serve a legitimate business purpose for the Company. No Related Party Transaction shall be entered into solely to benefit a Related Party at the expense of the Company;

iv. Appropriate Approval: All Related Party Transactions shall be subject to the approval matrix prescribed under this Policy, and no Related Party Transaction shall be entered into without obtaining the requisite prior approvals from the Audit Committee along with the approval Board, and/or shareholders (whenever applicable), as applicable; and

v. Adequate Disclosure: The Company shall make all disclosures in relation to Related Party Transactions as required under applicable law and this Policy, both within the prescribed timelines and in the prescribed format, so as to enable informed decision-making by shareholders and other stakeholders.

4. DEFINITIONS

"**Act**" means the Companies Act, 2013 and the rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactments thereof.

"**Arm's Length Basis**" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. For determining arm's length basis, guidance may be taken from the transfer pricing provisions under the Income-tax Act, 1961.

"**Associate Company**" means a company in which the Company has a significant influence, but which is not a subsidiary company of the Company having such influence, and includes a joint venture company. "Significant influence" means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement. "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

"**Audit Committee**" **or** "**Committee**" means the Audit Committee constituted by the Board of Directors of the Company under the provisions of Section 177 of the Act.

"**Key Managerial Personnel**" or "**KMP**" means key managerial personnel as

defined under Section 2(51) of the Act, and means:-

i. the Chief Executive Officer or Managing Director or Manager;
ii. Company Secretary;
iii. Whole-time Director;
iv. Chief Financial Officer;
v. 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
vi. such other officer, as may be prescribed.

"**Material Modification**" means any subsequent modification to an approved Related Party Transaction having a variance of 20% (twenty percent) or more of the existing approved limit (in terms of pricing, quantity or overall transaction value), or as may otherwise be defined by the Audit Committee from time to time, in line with Regulation 23(2) of the SEBI Listing Regulations. Without prejudice to the foregoing, any of the following changes to an approved Related Party Transaction shall also constitute a Material Modification, irrespective of whether the quantitative threshold of 20% is breached, if the Audit Committee is of the view that such change materially alters the basis on which the original approval was granted:

i. A change in the nature or scope of the transaction;
ii. A change in the pricing mechanism or basis of computation of consideration;
iii. A change in the tenure or duration of the transaction;
iv. A change in the material commercial terms, including credit terms, payment schedules, or interest rates;
v. A change in the risk allocation, obligations, or liabilities of either party under the transaction; or
vi. A change in the counterparty to the transaction.

"**Material Related Party Transaction(s)**" shall have the meaning as set out in Clause 5 of this Policy. Since the Company's specified securities are listed on the SME Exchange, the materiality threshold shall be as prescribed under the second proviso to Regulation 23(1) of the SEBI Listing Regulations, as applicable to SME listed entities.

"**Ordinary Course of Business**" means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per its Memorandum and Articles of Association.

"**Promoter**" shall have the same meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

"**Related Party**" shall mean a related party as defined under:

i. Section 2(76) of the Companies Act, 2013; and/or
ii. Regulation 2(1)(zb) of the SEBI Listing Regulations; and/or
iii. The applicable Accounting Standards (Ind AS 24 / AS 18).

For the purposes of this Policy and in terms of the SEBI Listing Regulations, the following shall additionally be deemed to be a Related Party:

i. Any person or entity forming a part of the promoter or promoter group of the Company; and
ii. Any person or any entity holding equity shares of 10% (ten per cent) or more in the Company (either directly or on a beneficial interest basis as provided under Section 89 of the Act) at any time during the immediately preceding financial year.

"**Related Party Transaction**" or "**RPT**" shall have the meaning as defined under Regulation 2(1)(zc) of the SEBI Listing Regulations and includes a transaction involving a transfer of resources, services or obligations between:

i. The Company or any of its subsidiaries on one hand, and a Related Party of the Company or any of its subsidiaries on the other hand; or
ii. The Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a Related Party of the Company or any of its subsidiaries, regardless of whether a price is charged and a "transaction" with a Related Party shall be construed to include a single transaction or a group of transactions in a contract.

Note: The following shall not constitute a Related Party Transaction:

- Issue of specified securities on a preferential basis, subject to compliance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Corporate actions uniformly applicable/offered to all shareholders in proportion to their shareholding, including payment of dividend, subdivision or consolidation of securities, issuance of securities by way of rights issue or bonus issue, and buy-back of securities;
- Retail purchases from the Company or its subsidiary the directors or key managerial personnel of the listed entity or its subsidiary, and relatives of such directors or key managerial personnel, without establishing a business relationship and at terms which are uniformly applicable to all employees, directors key managerial personnel and relatives of directors or key managerial personnel;

"RPT Industry Standards" means the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", formulated by the Industry Standards Forum ("ISF") and mandated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by the October, 2025 Circular and as amended from time to time.

"**Relative**" means a relative as defined under Section 2(77) of the Act and Regulation 2(1)(zd) of the SEBI Listing Regulations.

"**Subsidiary**" means a subsidiary as defined under Section 2(87) of the Act.

"Omnibus Approval" means an approval granted by the Audit Committee for a class of Related Party Transactions that are repetitive in nature, in accordance

with the conditions and framework prescribed under Clause 6A of this Policy and Regulation 23(3) of the SEBI Listing Regulations, and which is valid for a period not exceeding one year from the date of such approval.

"Annual Consolidated Turnover" means the total turnover of the Company as reflected in its audited consolidated financial statements for the immediately preceding financial year, computed in accordance with the applicable Accounting Standards. For the purposes of determining materiality thresholds under Clause 5 of this Policy, the Annual Consolidated Turnover shall be determined on the basis of the last audited consolidated financial statements of the Company as available at the time of assessment.

Any other term not defined herein shall have the same meaning as assigned to it under the Act, the SEBI Listing Regulations, the applicable Accounting Standards, and any other applicable law or regulations.

5. IDENTIFICATION OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS:

The Company shall identify Related Parties (including those of its subsidiaries) as per the requirements of the Act and the SEBI Listing Regulations, and keep the related party list updated from time to time.

Every Director shall, at the beginning of each financial year, provide a written disclosure to the Company Secretary and Chief Compliance Officer regarding:

- Their concern or interest in any entity that may be considered a Related Party with respect to the Company;
- A list of their relatives who are regarded as Related Parties under this Policy; and
- Their engagement with any other entity during the financial year that may be regarded as a Related Party.

Every Director shall also immediately inform the Company Secretary and Chief Compliance Officer of any change (addition or deletion) to previously provided disclosures.

The Company will identify potential transactions with Related Parties based on written notices received from its Directors, as well as based on the list of related parties of the Subsidiary Companies, in the manner prescribed under the Act and the SEBI Listing Regulations

6. MATERIALITY THRESHOLDS

The Company's specified securities are listed on the SME Exchange. Accordingly, in terms of the 2nd proviso to Regulation 23(1) of the SEBI Listing Regulations (as amended with effect from April 1, 2025), a transaction 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:

Applicable Threshold (SME Exchange Listed Entity)	Regulatory Reference
INR 50,00,00,000 (Indian Rupees Fifty Crore Only) or 10% of annual consolidated turnover, whichever is lower	2nd proviso to Regulation 23(1) of SEBI LODR, as amended w.e.f. April 1, 2025

Note: The annual consolidated turnover shall be determined based on the last audited financial statements of the Company.

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 5% (five per cent) of the annual consolidated turnover of the Company as per the last audited financial statements.

Regulation 23 of the SEBI Listing Regulations requires the Company to provide materiality thresholds for transactions beyond which prior approval of the shareholders will be required by way of resolution. All Related Party Transactions must be reported and approved in advance by the Audit Committee, except for the transactions that are exempt from the approval of the Audit Committee.

7. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

All Related Party Transactions and subsequent Material Modifications shall be reported to the Audit Committee and approved in accordance with this Policy prior to entering into such transactions.

A. Audit Committee Approval:

a) All Related Party Transactions and subsequent Material Modifications shall require prior approval of the Audit Committee of the Company, and only the Independent Directors, who are the members of the Audit Committee, shall approve Related Party Transactions.

b) A Related Party Transaction above INR 1,00,00,000/- (Indian Rupees One Crore Only) 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, shall require prior approval of the Audit Committee of the Company if the value of such transaction exceeds the lower of:

- 10% (Ten per cent) of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- The materiality threshold comprising INR 50,00,00,000 (Indian Rupees Fifty Crore Only) or 10% of the annual consolidated turnover

of the Company, whichever is lower.

c) Subsidiaries Without One Year of Audited Financial Statements: Where a subsidiary of the Company does not have audited financial statements for a period of at least one financial year, the applicable threshold for requiring prior Audit Committee approval of the Company under Clause 6.1(b) above shall be the lower of:

- 10% (ten per cent) of the aggregate value of the paid-up share capital and securities premium account of such subsidiary, provided that such values shall be taken as on a date, not older than three months prior to the date of seeking approval of the Audit Committee or
- The materiality threshold comprising INR 50,00,00,000 (Indian Rupees Fifty Crore Only) or 10% of the annual consolidated turnover of the Company, whichever is lower.

d) For a related party transaction to which a listed subsidiary is a party but the Company is not a party, prior approval of the Audit Committee of the Company shall not be required if Regulation 23 and Regulation 15(2) of the SEBI Listing Regulations are applicable to such listed subsidiary. For related party transactions of unlisted subsidiaries of a listed subsidiary, the prior approval of the audit committee of the listed subsidiary shall suffice.

e) Any member of the Audit Committee who has a potential interest or conflict of interest in any Related Party Transaction shall abstain from discussion and voting on the approval of such transaction, and shall not be counted in determining the presence of a quorum when such transaction is considered.

f) To review a Related Party Transaction, the Audit Committee shall be provided with the necessary information as prescribed under the Act and the SEBI Listing Regulations and as specified in the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", to the extent relevant.

Pursuant to the **October, 2025 Circular**, the following tiered framework shall apply for information to be provided to the Audit Committee:

Tier 1 – Minimum Disclosure as per Industry Standards:
Where a transaction with a related party, whether individually or taken together with previous transactions during a financial year (including transactions approved by way of ratification), does not exceeds 1% (One percent) of the annual consolidated turnover of the Company as per the last audited financial statements or INR 10,00,00,000/- (Indian Rupees Ten Crores Only), whichever is lower, the Company shall provide such information to the Audit Committee as stated in the Annexure-13A of the 'Minimum information to the Audit Committee for approval of Related Party Transactions' in accordance with the October 2025 Circular. Note. The annual consolidated turnover threshold of 1% shall be computed with

reference to the Company's annual consolidated turnover as per its last audited financial statements.

The minimum information, as prescribed in Annexure-13A of the **October, 2025 Circular,** that is required to be provided before the Audit Committee, is mentioned hereunder:

i. Type, material terms and particulars of the proposed transaction;
ii. Name of the related party and its relationship with the Company or its subsidiary, including the nature of its concern or interest (financial or otherwise);
iii. Tenure of the proposed transaction (particular tenure shall be specified);
iv. Value of the proposed transaction;
v. The percentage of the Company's annual consolidated turnover, for the immediately preceding the financial year, that is represented by the value of the proposed transaction (and for an RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
vi. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:
    - details of the source of funds in connection with the proposed transaction;
    - where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness, cost of funds and tenure.
    - applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
    - the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT.
vii. Justification as to why the RPT is in the interest of the listed entity;
viii. A copy of the valuation or other external party report, if any such report has been relied upon;
ix. Percentage of the counterparty's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
x. Any other information that may be relevant.

Tier 2 – Exemption from Disclosure Requirements:

The minimum information requirements under Tier 1, as mentioned above shall not be applicable to transactions with a related party to be entered into individually or taken together with previous transactions during a financial year (including those approved by way of ratification) which do not exceed INR. 1,00,00,000/- (Indian Rupees One Crore Only). However, such transactions shall still require prior approval of the Audit Committee in accordance with

Clause 6.1(a) of this Policy and Regulation 23(2) of the SEBI Listing Regulations.

g) The Chief Financial Officer of the Company shall provide a compliance certificate to the Audit Committee/Board on a quarterly basis pertaining to all Related Party Transactions.

h) The members of the audit committee, who are independent directors, may ratify related party transactions 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 INR 1,00,00,000/- (Indian Rupees One Crore Only);
ii. the transaction is not material in terms of the provisions of SEBI Listing Regulations;
iii. 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 the provisions of sub-regulation (9) of this regulation;
v. any other condition as specified by the audit committee:

B. Board of Directors' Approval:

a) All contracts or arrangements under Section 188(1) of the Act which are not in the ordinary course of business or not at arm's length basis shall require prior approval of the Board of Directors of the Company, in addition to the prior approval of the Audit Committee.

b) Any member of the Board who has a potential conflict of interest in any Related Party Transaction shall abstain from discussion and voting on such transaction, and shall not be counted in determining the presence of a quorum when such transaction is considered.

c) The Board of Directors shall monitor and manage potential conflicts of interest of the management, Board members and shareholders, including misuse of corporate assets and abuse in Related Party Transactions, in terms of Regulation 4(2)(f)(ii)(6) of the SEBI Listing Regulations.

d) Where the Company is required to obtain the prior consent of its Board of Directors by a resolution at a Board meeting, pursuant to Section 188(1) of the Act, the Agenda of such Board meeting shall disclose the following:

- The name of the Related Party and nature of relationship;
- The nature, duration and particulars of the contract or arrangement;
- The material terms of the contract or arrangement including value, if any;
- Any advance paid or received for the contract or arrangement, if any, and the manner of determining the pricing and other commercial terms;

- Whether all factors relevant to the contract have been considered; if not, the details of factors not considered with the rationale for not considering those factors; and
- Any other information relevant or important for the Board to take a decision on the proposed transaction.

e) Guidance on "Ordinary Course of Business": For the purposes of Section 188(1) of the Act, a transaction shall be considered to be in the "ordinary course of business" if it is part of the usual, regular and customary transactions, customs and practices that the Company undertakes in conducting its business operations, and has a direct nexus to the principal activities of the Company as reflected in its Memorandum and Articles of Association. A stray, casual or one-off transaction shall not ordinarily qualify as being in the ordinary course of business. The key indicators include:

- the volume, frequency, continuity and regularity of such transactions;
- whether such transactions are entered into with a profit motive as part of the Company's normal business activities; and
- whether the transaction is of a type that the Company also regularly conducts with unrelated third parties. In cases of doubt, the matter shall be referred to the Audit Committee for its determination.

C. Shareholders' Approval:

a) All Material Related Party Transactions and subsequent Material Modifications shall require prior approval of the shareholders through resolution. No Related Party shall vote to approve such resolutions, whether the entity is a related party to the particular transaction or not.

b) Shareholders' approval shall **not** be required for:

- A Material Related Party Transaction to which a listed subsidiary is a party, but the Company is not a party, if Regulation 23 and Regulation 15(2) of the SEBI Listing Regulations are applicable to such listed subsidiary;
- A Material Related Party Transaction in respect of a resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016, subject to the event being disclosed to the recognised stock exchanges within one day of the approval of the resolution plan.

c) The omnibus approval granted by shareholders for Material Related Party Transactions in an Annual General Meeting ("**AGM**") shall be valid till the date of the next AGM held within the timelines prescribed under Section 96 of the Act. In case of omnibus approvals granted in general meetings other than AGMs, the validity shall not exceed one year from the date of such approval.

d) The notice being sent to shareholders seeking approval for any RPT shall include all information as specified in the Industry Standards on minimum information to be provided to shareholders and the requirements under the Act. The listed entity shall ensure that all information provided enables shareholders to evaluate whether the terms and conditions of the proposed RPT are not unfavourable to the Company

compared to similar transactions between unrelated parties.

e) To review and approve the Material Related Party Transactions, the Shareholders of the Company shall be provided with the necessary information as prescribed under the Act and the SEBI Listing Regulations and as specified in the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", to the extent relevant.

Pursuant to the **October, 2025 Circular**, the following tiered framework shall apply for information to be provided to the Shareholders:

Tier 1 – Minimum Disclosure as per Industry Standards:
Where a transaction with a related party, whether individually or taken together with previous transactions during a financial year (including transactions approved by way of ratification), does not exceeds 1% (One percent) of the annual consolidated turnover of the Company as per the last audited financial statements or INR 10,00,00,000/- (Indian Rupees Ten Crores Only), whichever is lower, the Company shall provide such information to the Shareholders as stated in the Annexure-13A of the 'Minimum information to the Audit Committee for approval of Related Party Transactions' in accordance with the October 2025 Circular.

Note. The annual consolidated turnover threshold of 1% shall be computed with reference to the Company's annual consolidated turnover as per its last audited financial statements.

The minimum information, as prescribed in Annexure-13A of the **October, 2025 Circular,** that is required to be provided before the Shareholders, is mentioned hereunder:

i. A summary of the information provided by the management of the Company to the audit committee as specified in paragraph 4 of this Section;
ii. Justification for why the proposed transaction is in the interest of the listed entity;
iii. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:
    - details of the source of funds in connection with the proposed transaction;
    - where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, nature of indebtedness, cost of funds and tenure.
    - applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
    - the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT.
iv. A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;
v. Percentage of the counterparty's annual consolidated turnover that is

represented by the value of the proposed RPT, on a voluntary basis;

vi. .Any other information that may be relevant.

Tier 2 – Exemption from Disclosure Requirements:
The information requirements under Tier 1 above shall not be applicable to transactions with a related party to be entered into individually or taken together with previous transactions during a financial year (including those approved by way of ratification) which do not exceed INR. 1,00,00,000/- (Indian Rupees One Crore Only).

f) Prior approval of the Audit Committee under Clause 6.1 of this Policy shall be obtained before placing any Material Related Party Transaction or subsequent Material Modification before the shareholders for approval under this Clause 6.3. The approval of the shareholders shall be in addition to, and not in substitution of, the prior approval of the Audit Committee. Accordingly, where shareholder approval is required, both approvals must be obtained, from the Audit Committee approval as the first control layer, and the shareholder approval as the second and additional control layer, before the transaction is entered into or the modification is given effect.

8. OMNIBUS APPROVAL:

A. The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiaries, provided that such transactions are:
   - Repetitive in nature; and
   - In the ordinary course of business and
   - Arm's length basis.

B. The Audit Committee shall, after obtaining the approval of the Board, specify the criteria for granting omnibus approval, which shall include:
   i. Maximum value of transactions, in aggregate, which can be allowed under the omnibus route in a year;
   ii. Maximum value per transaction which can be allowed;
   iii. Extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
   iv. Schedule for review, at such intervals as the Audit Committee may deem fit, of the RPTs entered pursuant to each omnibus approval; and
   v. Categories of transactions which cannot be subject to omnibus approval by the Audit Committee.

C. The omnibus approval shall contain the following:
   i. the name(s) of the Related Party;
   ii. nature and duration of transaction;
   iii. maximum amount of transactions to be entered into;
   iv. the indicative base price or current contracted price and the formula for variation in price, if any; and
   v. such other conditions as the Audit Committee may deem fit.

D. Where the need for a Related Party Transaction cannot be foreseen, and the above details are not available, the Audit Committee may grant omnibus approval for such transactions, subject to their value not exceeding Rupees One Crore (Rs. 1,00,00,000/-) per transaction.

E. The Audit Committee shall review, at least on a quarterly basis, the details of all Related Party Transactions entered into by the Company or its subsidiaries.

F. Omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year. An RPT for which the Audit Committee has granted omnibus approval shall continue to be placed before the shareholders if it is material in terms of Regulation 23 of the SEBI Listing Regulations.

❖ **RATIFICATION OF RELATED PARTY TRANSACTIONS BY THE AUDIT COMMITTEE:**

Under certain circumstances, where prior approval of the Audit Committee could not be furnished for the Related Party Transactions, the members of the Audit Committee, who are Independent Directors, may ratify related party transactions 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 INR 1,00,00,000/- (Indian Rupees One Crore Only);
ii. the transaction is not material in terms of the provisions of Regulation 23 of the SEBI Listing Regulations;
iii. 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 the provisions of Regulation 23(9) of SEBI Listing Regulations;
v. any other condition as specified by the Audit Committee:

Provided that failure to seek ratification of the Audit Committee shall render the transaction voidable at the option of the Audit Committee, and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the Company against any loss incurred by it.

❖ **TRANSACTIONS EXEMPT FROM APPROVAL:**

The provisions of sub-regulations (2), (3) and (4) of Regulation 23 of the SEBI Listing Regulations shall not be applicable in the following cases:

i. Transactions entered into between two public sector companies;
ii. Transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval;
iii. Transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval;
iv. Transactions in the nature of payment of statutory dues, statutory fees or statutory charges entered into between the Company and the Central

Government or any State Government or any combination thereof; and

v. transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand.

Additionally, the following shall not require prior approval of the Audit Committee, Board or shareholders:

i. Remuneration and sitting fees paid by the Company or its subsidiary to its director, KMP or senior management (except those who are part of the promoter or promoter group), provided the same is not material under Regulation 23(1);

ii. Any transaction involving statutory/regulatory payments as described above.

9. DISCLOSURES:

a. The Company shall submit disclosures of Related Party Transactions to the stock exchange, namely BSE Limited in the format as specified by SEBI from time to time, and shall publish the same on its website. Such disclosures shall be made every six months on the date of publication of its standalone and consolidated financial results, in accordance with Regulation 23(9) of the SEBI Listing Regulations.

b. The Company shall also make necessary disclosures in the Annual Report as required under:
   i. Applicable Accounting Standards (Ind AS 24 / AS 18); and
   ii. Form AOC-2 shall be filed with the Directors' Report, in the form and manner prescribed under the Act.

c. The Company shall disclose this Policy on its website and shall also provide a web link thereto in the Annual Report.

d. This Policy will be communicated to all operational employees and other concerned persons of the Company. No business head, department head or any person authorised to enter into any transaction on behalf of the Company shall undertake any transaction with a Related Party unless they confirm that the transaction has prior approval of the Audit Committee and is both in the ordinary course of business and on an arm's length basis. Any transaction not meeting these criteria should be brought to the notice of the Secretarial Department, Accounts Department and the Chief Financial Officer for seeking requisite approvals.

e. The Company shall maintain such registers and records as required under the provisions of the Act and the rules and regulations made thereunder, and as required by SEBI.

f. The CFO shall be responsible for certifying the accuracy and completeness of the financial data included in the disclosures of the Related Party Transactions, prepared in accordance with Regulation 23(9) of the SEBI Listing Regulations, before its submission to the Stock Exchange.

10. LIMITATION, REVIEW AND AMENDMENTS:

- In the event of any conflict between the provisions of this Policy and the provisions of the Act, the SEBI Listing Regulations, or any other applicable law, the provisions of the applicable law shall prevail over this Policy, and this Policy shall be deemed to stand amended to that extent.

- Any subsequent amendment, modification, circular or notification issued by the relevant authorities in respect of any provision of law or regulation referred to herein shall automatically apply to this Policy from the effective date as laid down under such amendment, modification, or circular, and this Policy shall stand amended accordingly.

- The Board of Directors shall, upon the recommendation of the Audit Committee, review and assess the adequacy of this Policy at least once every year and make such amendments as may be deemed necessary, in order to ensure that it remains consistent with the Board's objectives, applicable laws and best practices from time to time.

11. MISCELLANEOUS:

- The provisions of this Policy shall be applicable to all prospective Related Party Transactions of the Company;

- All existing material related party contracts or arrangements entered into prior to the date of notification of these regulations and which may continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to such notification; and

- In case of any ambiguity or doubt in the interpretation of this Policy, the decision of the Board of Directors of the Company shall be final and binding.

*****