



टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED

(अनुसूची-क' विनी रत्न पीएचयू)
(Schedule - A Mini Ratna PSU)

CIN : U45203UR1988GOI009822



भारत 2023 INDIA
वसुधैव कुटुम्बकम्
ONE EARTH • ONE FAMILY • ONE FUTURE

CONFIDENTIAL

No: THDCIL/RKSH/CS/BM-253/3959

Dated: 16.06.2025

**THDC INDIA LIMITED, RISHIKESH
EXTRACT OF THE MINUTES OF 253rd BOARD MEETING
HELD ON 19.05.2025 THROUGH VIDEO CONFERENCING**

ITEM NO. & SUBJECT:

253.22 Approval of Revised Related Party Transactions (RPT) Policy – 2025.

Board Decision:

The Board considered the proposal and passed the following resolution:

“RESOLVED THAT in accordance with Regulation 62K of Chapter VA of SEBI LODR Regulations 2015 and amendments thereto, the consent of the Board of Directors be and hereby accorded to approve the “THDC India Limited – RPT Policy 2025” as placed at **Annexure-2** which shall govern identification of materiality of related party transactions and provide procedure for dealing with related party transactions in THDCIL.”

Certified True Copy


(Rashmi Sharma)
Company Secretary

To: As per distribution list



सूचना का
अधिकार
RIGHT TO
INFORMATION

प्रधान कार्यालय : गंगा भवन, प्रगतिपुरम, बाईपास रोड, ऋषिकेश - 249201
Corporate Office : GANGA BHAWAN, PRAGATIPURAM, BYPASS ROAD, RISHIKESH - 249201
पंजीकृत कार्यालय : भागीरथी भवन (टॉप टेरेस), भागीरथीपुरम, टिहरी गढ़वाल-249124
Regd. Office : Bhagirathi Bhawan, (Top Terrace), Bhagirathipuram, Tehri Garhwal-249 124
टेलीफैक्स- 0135-2439463, Telefax: 0135-2439463, Website Address : www.thdc.co.in
("हिन्दी को राजभाषा बनाना, भाषा का प्रश्न नहीं अपितु देशाभिमान का प्रश्न है")



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भारत 2023 INDIA

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ONE EARTH • ONE FAMILY • ONE FUTURE

Ref No. THDC/RKSH/CS/F-125/3958

Dated: 16.06.2025

Subject: Related Party Transaction (RPT) Policy-2025 of THDC India Limited.

The Board in its 253rd Board meeting held on 19.05.2025, reviewed and approved the revised 'THDC India Limited – RPT Policy 2025' in accordance with Regulation 62K of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board approved Related Party Transaction (RPT) Policy-2025 along with approval of the Board are attached for necessary compliance.

This issues with the approval of the competent authority.

(Rashmi Sharma)
Company Secretary

Distribution: All EDs/CGMs/GMs/Unit Heads/HODs

Copy to:

TS to CMD

DGM (HR), D(P) Sectt.

TS to D(T)

Sr. Manager, D(F) Sectt.



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THDC INDIA LIMITED RPT POLICY 2025

**POLICY ON MATERIALITY OF RELATED PARTY
TRANSACTIONS**

AND

ON DEALING WITH RELATED PARTY TRANSACTIONS

RELATED PARTY TRANSACTION POLICY

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

1. APPLICABILITY AND EFFECTIVE DATE

The Company had formulated a Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions, which was effective from May 13, 2022. The policy is further revised and revised policy is applicable with effect from April 01, 2025.

This Policy is formulated to regulate transactions between the Company and its Related Parties based on the applicable laws, rules and regulations, as amended from time to time.

2. PURPOSE

This policy is framed as per requirement of Regulation 62K of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [‘SEBI (LODR) Regulations, 2015’] intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties.

This Policy shall supplement Company’s other policies & practices/ delegation of authorities / manual of authorities etc. which require approval of the contracts or arrangement in specified manner and by specified authority. If there exists more than one set of requirements due to application of multiple laws and regulations, the endeavor must be based on the compliance principle, which would meet the higher governance standards.

3. DEFINITIONS

“Arm’s Length Transaction” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

“Associate Company” in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

“Audit Committee” means “Audit Committee” of the Board of Directors of the THDC India Limited.

“Board” means the Board of Directors of THDC India Limited.

“Companies Act, 2013” means the Companies Act, 2013 as amended from time to time.

“Key Managerial Personnel” shall be as defined in Section 2(51) of the Companies Act, 2013.

“Material Related Party Transaction” 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 rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Notwithstanding the above, a transaction involving payments made to related party with respect to brand usage or royalty shall be considered material, if the transactions to be entered into individually or taken together with the previous transactions during a financial year exceeds 5% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

“Material Modifications” Any Modifications which has implications of 10% or more of originally approved Related party transactions.

“Office or place of profit” office or place of profit” means any office or place—

- I. where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;
- II. where such office or place is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;

“Ordinary Course of Business” includes but not limited to a term for activities that are necessary, normal, and incidental to the business. These are common practices and customs of commercial transactions. In law, the ordinary course of business covers the usual transactions, customs and practices of a certain business and of a certain firm. Indicative factors for determining term ordinary course of business:

- (i) is normal or otherwise remarkable for your particular business (i.e. features in your system, processes, advertising, staff training, etc.)
- (ii) is frequent and regular
- (iii) involves significant amounts of money
- (iv) is a source of income for your business
- (v) involves significant allocation of resources
- (vi) is involved in a service or product that is offered to customers

“Related Party”

As Per SEBI (LODR) Regulations, 2015

means a related party as defined under

- I. sub-section (76) of section 2 of the Companies Act, 2013 or
- II. under the applicable accounting standards.;

Provided that:

(a) any person or entity forming a part of the promoter or promoter group of the listed entity; or

(b) any person or any entity, holding equity shares:

- (i) of twenty per cent or more; or
- (ii) of ten per cent or more, with effect from April 1, 2023;

in the listed entity either directly or on a beneficial interest basis as provided under Section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party:

I. As per Section 2 (76) of the Companies Act 2013 and rules made thereunder, Related Party, with reference to a company, means-

- i. a director or his relative;
- ii. a key managerial personnel or his relative;
- iii. a firm, in which a director, manager or his relative is a partner;
- iv. a private company in which a director or manager or his relative is a member or director;
- v. a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;
- vi. any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- vii. any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

- viii. any body corporate which is—
 - a. a holding, subsidiary or an associate company of such company;
 - b. a subsidiary of a holding company to which it is also a subsidiary; or
 - c. an investing company or the venture of the company;"
- ix. a director [other than an independent director] or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.
- x. Such other person as may be prescribed;

II. Related Parties under the applicable Accounting Standards are as follows:

Accounting Standard 18

Parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/ or operating decision

- a. Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise (this includes holding companies, subsidiaries and fellow subsidiaries);
- b. associates and joint ventures of the reporting enterprise and the investing party or venture in respect of which the reporting enterprise is an associate or a joint venture;
- c. individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;
- d. key management personnel and relatives of such personnel; and
- e. enterprises over which any person described in (c) or (d) is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise.

Ind AS 24

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - i. has control or joint control of the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
 - i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii. Both entities are joint ventures of the same third party.
 - iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - vi. The entity is controlled or jointly controlled by a person identified in (a).
 - vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

“Related Party Transaction” means a transaction involving a transfer of resources, services or obligations between:

- i. a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- ii. a listed entity 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 listed entity 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.

Provided that the following shall not be a related party transaction:

- a. the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- b. the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i payment of dividend;
 - ii subdivision or consolidation of securities;
 - iii issuance of securities by way of a rights issue or a bonus issue; and
 - iv buy-back of securities.
- c. acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:
- d. retail purchases from any listed entity or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors.

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);

Section 188 of the Companies Act, 2013 encompasses all contracts or arrangements with a Related Party with respect to:

- a. sale, purchase or supply of any goods or materials;
- b. selling or otherwise disposing of, or buying, property of any kind;
- c. leasing of property of any kind;
- d. availing or rendering of any services;
- e. appointment of any agent for purchase or sale of goods, materials, services or property;
- f. such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and g. underwriting the subscription of any securities or derivatives thereof, of the company:

“Relative” with reference to any person, means anyone who is related to another, if-

- (i) They are members of a Hindu Undivided Family;
- (ii) They are husband and wife; or
- (iii) One person is related to the other person as:
 - a. Father (including step- father)
 - b. Mother (including step- mother)
 - c. Son (including step- son)
 - d. Son's wife
 - e. Daughter
 - f. Daughter's husband
 - g. Brother (including step- brother)
 - h. Sister (including step- sister)

“SEBI (LODR) Regulations, 2015” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amended from time to time.

“Subsidiary Company” in relation to any other company (that is to say the holding company), means a company in which the holding company—

- (i) controls the composition of the Board of Directors; or
- (ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

For the purposes of this clause, —

- a. a company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause (i) or sub-clause (ii) is of another subsidiary company of the holding company.
- b. the composition of a company's Board of Directors shall be deemed to be controlled by another company if that other company by exercise of some power exercisable by it at its discretion can appoint or remove all or a majority of the directors.
- c. the expression "company" includes any body corporate.
- d. "layer" in relation to a holding company means its subsidiary or subsidiaries.

“Transaction” with a related party shall be construed to include a single transaction or a group of transactions.

“Listed Subsidiary” means a Subsidiary Company as defined in this policy which has listed, on a recognized stock exchange(s), any securities issued by it, in accordance with the listing agreement entered into between the entity and the recognized stock exchange(s).

“Unlisted Subsidiary” means a Subsidiary Company, as defined in this policy, which has not listed any of its securities on any recognized stock exchange(s).

“Listed Entity” means a Company which has listed, on a recognized stock exchange(s), any securities issued by it, in accordance with the listing agreement entered into between the entity and the recognized stock exchange(s).

“High Debt Value Listed Entity” (‘HVLDE’) is defined as a Listed Entity that had listed its non-convertible debt securities on a recognized stock exchange and had an outstanding value of such securities of ₹ 1000 crore or more.

All terms used in this Policy but not defined herein shall have the meaning assigned to such term in the Act and the Rules there under and SEBI (LODR) Regulations, 2015, as amended from time to time.

4. APPROVAL AND REVIEW OF RELATED PARTY TRANSACTION

All Related Party Transactions shall be subject to the approval of the Audit Committee in accordance with this Policy. The approval of the Audit Committee can be granted by way of circulation also.

In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Audit Committee may ratify the transactions in accordance with this Policy, Companies Act, 2013 or SEBI (LODR), Regulations, 2015.

The Head of the Project (HoP) at project and Head of the Concerned Departments at Corporate Office shall be responsible for placing an agenda of all Related Party Transaction(s) requiring approvals (including omnibus approval or ratification) in accordance with this policy before the Audit Committee through Director Finance. The Company Secretary shall compile the proposals and place them before the Audit Committee after approval of Director (Finance).

For Deputation of Employee to JVs/ Subsidiaries:

Corporate HR Department through Director (HR) shall place consolidated agenda for approval.

For further investment/ loan/ guarantee in JVs/ Subsidiaries:

Corporate Planning Department through Director (Technical) shall place consolidated agenda for approval.

The above Heads shall also be responsible to place the agenda for review of the Audit Committee on a quarterly basis, the details of RPTs entered into by the Company pursuant to each of the omnibus approval obtained under Point 4.1.2 of this Policy.

After the approval of the Audit Committee, Company Secretary shall place the agenda to Board or for shareholders for approval, if required.

4.1 Approval of the Audit Committee- Mechanism

Approval of the Audit Committee requirement

- All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the listed entity in accordance with regulation 62K of SEBI (LODR) Regulations, provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.
- a related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the HVDLE if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent. of the annual consolidated turnover, as per the last audited financial statements of the listed entity;
- a related party transaction to which the subsidiary of a HVDLE is a party but the HVDLE is not a party, shall require prior approval of the audit committee of the HVDLE if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent. of the annual standalone turnover, as per the last audited financial statements of the subsidiary;
- prior approval of the audit committee of the HVDLE shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

Explanation: — For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in clause (d) above, the prior approval of the audit committee of the listed subsidiary shall suffice.

4.1.1 Details to be provided to Audit Committee

The following details/information shall be provided to the Audit Committee for entering into Related Party Transaction(s):

- a. Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise), period of transaction, maximum amount of transaction that can be entered into.
- b. particulars of the contract or arrangement including material terms of and the value, if any;
- c. Tenure of the proposed transaction (particular tenure shall be specified).
- d. Value of the proposed transaction.
- e. any advance paid or received for the contract or arrangement, if any
- f. manner of determining the pricing (indicative base price / current contracted price and the formula for variation in the price, if any) and other commercial terms, both included as part of contract and not considered as part of the contract;
- g. The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided).
- h. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:
 - i. details of the source of funds in connection with the proposed transaction.
 - ii. where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments,
 - nature of indebtedness.
 - cost of funds; and
 - tenure.
 - iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the Related Party Transaction.
- i. Justification as to why the RPT is in the interest of the listed entity.
- j. A copy of the valuation or other external party report, if any such report has been relied upon.
- k. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis.
- l. Any other information that may be relevant

The Audit committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

4.1.2 Omnibus Approval

Audit Committee may grant the omnibus approval for Related Party Transactions to be entered into by the listed entity subject to the following conditions:

1. Transactions are frequent/ regular/ repetitive in nature and are in the normal course of business of the Company.
2. Audit Committee shall satisfy itself the need for such omnibus approval in the best interest of the Company.
3. Omnibus approval shall specify:
 - (i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions 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.1.00 crore per transaction.

4. 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 approval given.
5. The omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year from the date of approval.
6. The Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

4.1.3 Consideration by the Audit Committee

While approving, the Audit Committee may, inter-alia, consider the following factors:

- a. all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party.
- b. whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis, at the time of entering into the transaction.
- c. business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any.
- d. whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or KMP of the Company.
- e. any other matter the Audit Committee deems relevant.

4.2 Approval of the Board and Shareholders - Mechanism

4.2.1 Under the Companies Act, 2013

In case of specified Related Party Transaction(s) as per section 188(1) of the

Companies Act, 2013 read with applicable Rules under the Companies Act, 2013 as amended and as mentioned in the table below, prior approval of Board and/or Shareholders is required as per the following:

- a. **Prior approval of the Board at a meeting** – Transactions which are **not in ordinary course of business or not on arm's length basis**.
- b. **Prior approval of the Shareholders, by way of resolution** – Transactions which are not in ordinary course of business or not on arm's length basis and beyond the following threshold limits:

S. No.	Specified RPT(s) u/s 188(1) of the Companies Act, 2013	Threshold limits for approval of Shareholders
a)	sale, purchase or supply of any goods or materials, directly or through appointment of agent,	amounting to ten percent or more of the turnover of the company, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188.
b)	selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent	amounting to ten percent or more of net worth of the company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188.
c)	leasing of property of any kind	amounting to ten percent or more of the turnover of the company, as mentioned in clause (c) of sub-section (1) of section 188.
d)	availing or rendering of any services, directly or through appointment of agent	amounting to ten percent or more of the turnover of the company as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188.
e)	Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company	at a monthly remuneration exceeding two and a half lakh rupees.
f)	remuneration for underwriting the subscription of any securities or derivatives thereof, of the company	exceeding one percent of the net worth.

Explanation(s):

- Limits specified in sub-clauses a) to d) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.
- Turnover or net worth shall be computed on the basis of the audited financial statement of the preceding financial year.

4.2.2 Under SEBI (LODR), Regulations 2015

All material related party transactions and subsequent material modifications as defined in this policy shall require prior No-Objection Certificate from the Debenture Trustee

and the Debenture Trustee shall in turn obtain No-Objection from the debenture holders who are not related with the Issuer and hold at least more than fifty per cent. of the debentures in value, on the basis of voting including e-voting.

After obtaining approval of the debenture holders, approval of the shareholders through resolution shall be obtained.

Explanation (1): — If the No-Objection Certificate has been withheld, the matter shall not be taken forward for shareholders' consideration.

Explanation (2): — This No-Objection Certificate from Debenture Trustee and debenture holders shall be obtained in respect of listed debt securities issued on or after April 01, 2025:

Provided that in case of outstanding listed debt securities as on March 31, 2025, No-Objection Certificate from Debenture Trustee and debenture holders shall not be required for existing or prospective material related party transactions.

Provided further that for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, regulation 62K of SEBI (LODR) Regulations, may be complied.

Explanation (3): — For related party transactions of unlisted subsidiaries of a listed subsidiary, the prior approval of the shareholders and No-objection Letter from Debenture Trustee of the listed subsidiary shall be obtained:

4.2.3 Details to be provided to the Board and Shareholders

The information provided to the Audit Committee in 4.1.1 above shall also be provided to the **Board** for approval of Related Party Transaction(s).

The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:

The following information shall be provided to the **Shareholders** for approval of Related Party Transaction(s)–

- Name of the related party;
- Name of the Director or KMP who is related, if any;
- Nature of relationship;
- Nature, material terms, monetary value and particulars of the contract or arrangement
- A summary of the information provided by the management of the listed entity to the audit committee as specified in point 4.1.1 above.
- Justification for why the proposed transaction is in the interest of the listed entity.
- Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.
- Any other information relevant or important for the members to take a decision on the proposed resolution.

4.3 Summary of the approval mechanism under SEBI (LODR), Regulations 2015 and the Companies Act, 2013:

Details of Transaction(s)	Approving Authority
All Related Party Transactions and any subsequent modification	Audit Committee
RPTs at 4.2.1 above which are not in ordinary course of business or not on arm's length basis or both (less than threshold limits)	Approval and recommendation by Audit Committee to the Board and Approval by the Board.
RPTs at 4.2.1 above which are in not in ordinary course of business or not on arm's length basis or both (beyond threshold limits)	Approval and recommendation by Audit Committee to the Board; Approval and recommendation by the Board to Shareholders and
Material RPTs at 4.2.2 above	No-Objection Certificate from the Debenture Trustee and Approval of the Shareholders, by way of resolution

5. EXEMPTIONS UNDER THE COMPANIES ACT, 2013 AND UNDER SEBI (LODR), REGULATIONS 2015:

The requirement of passing the resolution by the shareholders as per the Companies Act, 2013 and requirement of approval of the Audit Committee and the shareholders shall not be applicable:

- for transactions entered 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.
- to a government company in respect of contracts or arrangements entered into by it with any other Government company.
- transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

6. VOTING

All entities/ Members 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.

7. RATIFICATION OF RELATED PARTY TRANSACTIONS

- If prior approval of the Audit Committee/Board/Shareholders for entering into a Related Party Transaction is not feasible, then the Related Party Transaction shall be ratified by the Audit Committee/Board/Shareholders, if required, within 3 (three) months of entering in the Related party transaction subject to the following conditions:

- (i) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
 - (ii) the details of ratification shall be disclosed along with the disclosures of related party transactions;
 - (iii) any other condition as specified by the audit committee:
- b. Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it.
- c. In any case where either the Audit Committee/Board/Shareholders determines not to ratify a Related Party Transaction that has been commenced without approval, may direct additional actions including, but not limited to, immediate discontinuation of the transactions, or modification of the transaction to make it acceptable for ratification. In connection with any review of a Related Party Transaction, the Audit Committee/ Board/ Shareholders has authority to modify or waive any procedural requirements of this Policy in the best interest of the Company.

8. DISCLOSURES

- a. Every contract or arrangement entered with Related Parties with the approval of Board / Shareholders in line with Section 188 of the Companies Act 2013 shall be referred in the Board's Report to the shareholders along with the justification for entering into such contract or arrangements.
- b. Details of all Material Related Party Transactions shall be disclosed quarterly along with the compliance report on corporate governance to be submitted to stock exchanges.
- c. The Company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.
- d. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large in the Corporate Governance Report.
- e. Disclosures in the financial statements as required under Ind AS 24.
- f. The Company shall keep one or more registers giving separately the particulars of all contracts or arrangements with any related party as required under the Companies Act, 2013.
- g. The Company shall submit such disclosures along with its standalone financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

9. TRANSFER PRICING REGULATIONS

All related party transactions shall, wherever applicable, comply with Domestic/ International Transfer Pricing requirement of Income Tax Act, 1961 including certification from independent accountants under the Transfer Pricing Regulations.

10. DISCLAIMER

In case of any discrepancy between the above Policy, the Companies Act, 2013 and SEBI (LODR), Regulations 2015 or any rule or regulations made there under or under any other applicable statutory enactment of law, the enacted law/ rule/ regulation/ provision shall prevail over the above Policy. Any subsequent amendment/ modification in the Listing Regulations, Act and/ or applicable law in this regard shall automatically apply to this Policy.