

# POLICY ON RELATED PARTY TRANSACTIONS

*Revision No.: - 2.1  
Policy Reference Number: Finance/RPT/2*

## Newgen Software Technologies Limited

This document contains proprietary information of Newgen Software Technologies Limited (NSTL). No part of this document may be reproduced, stored, copied or transmitted in any form or by any means of electronic, mechanical, photocopying or otherwise, without the consent of NSTL.

Revision History			
Release Date (DD-MM-YY)	Revision No.	Changes Summary (Mention Sections Affected)	Approved By (Designation)
18-09-2017	1.0	First Release	Board of Directors
01-04-2019	1.1	Revision in the Policy due to amendments in the SEBI Listing Regulations.	Board of Directors
01.04.2022	1.2	Revision in the Policy due to amendments in the SEBI Listing Regulations.	Board of Directors
21.03.2025	2	Revision in the Policy due to amendments in the SEBI Listing Regulations.	Board of Directors
20.01.2026	2.1	Revision in the Policy due to amendments in the SEBI Listing Regulations.	Board of Directors

## Contents

<b>1. Preface</b> .....	4
<b>2. Objective of the Policy</b> .....	4
<b>3. Definitions</b> .....	4
<b>4. Materiality Thresholds:</b> .....	8
<b>5. Determining “Ordinary Course of Business” in the Related Party Transaction</b> .....	8
<b>6. Determination of Arms’ Length Nature of the Related Party Transaction</b> .....	8
<b>7. Identification of Potential Related Party Transactions</b> .....	9
<b>8. Related Party Transactions which are on Arms’ Length basis and are in ordinary course of business required</b> .....	10
<b>9. Transactions which are either not on Arms’ Length basis and/or not in ordinary course of business</b> .....	10
<b>10. Transactions to which subsidiary of the Company is a party but the Company is not a party.</b> .....	11
<b>11. Approvals for Related Party Transaction:</b> .....	11
11.1 Approval of Audit Committee.....	11
11.2 Approval of Board:.....	14
11.3 Approval of Shareholders.....	15
<b>12. Related Party Transactions not approved under this Policy</b> .....	16
<b>13. Procedure to be followed for Related Party Transactions</b> .....	16
<b>14. Disclosure</b> .....	17
<b>15. Amendment</b> .....	18
<b>16. General</b> .....	18

## **1. Preface**

The Board of Directors of Newgen Software Technologies Limited (“**Newgen**” or “**the Company**” or “**listed entity**”) recognises the importance of stakeholder’s confidence and trust in the Company. To preserve the same with transparency and to ensure that there is no conflict of interest inflicting any apprehension in the minds of its stakeholders, the Board of Directors of the Company, acting upon the recommendation of its Audit Committee has adopted this Policy on Related Party Transaction (“Policy”).

The Policy is not only in the best interests of its stakeholders but also in due compliance with the requirements of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”).

## **2. Objective of the Policy**

This Policy lays down the mechanism to deal with Related Party Transactions and seeks to ensure that related party transactions entered by the Company are carried out in a transparent manner i.e., in ordinary course of business and at arm’s length basis as per the provisions of applicable laws. This Policy also aims at providing guidance in situations of potential conflict of interest and compliance matters relating to related party transactions.

## **3. Definitions**

**3.1 “Act”** shall mean the Companies Act, 2013 and includes any statutory amendment or re-enactment thereof.

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

**3.3 “Audit Committee”** means the committee of Board of Directors constituted in pursuance of Section 177 of the Act.

**3.4 “Group Companies”** means the Newgen and its Subsidiaries.

**3.5 “Director”** means a member of the Board of Directors of the Company.

**3.6 “Material Related Party Transactions”** shall mean a transaction with related party, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds specified in the annexure A of the Policy.

**3.7 “Material Modification”:** Change in scope of contract due to addition/reduction of distinct goods or services, resulting in an increase/decrease in the value of contract by 20% of annualized contract value.

**3.8 “RPT Industry Standards”** means Industry Standards on “Minimum information to be provided to the Audit Committee and the Shareholders for approval of Related Party Transaction, as issued / directed by the SEBI and/ or respective Stock Exchanges, time to time.

### **3.9 “Related Party”**

#### (A) Under Companies Act, 2013:

Related party with reference to a company, means—

- (i) a director or his relative;
- (ii) 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) anybody 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 venturer of a company;
- (ix) such other person as may be prescribed by the concerned government authorities

Explanation. —For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate

Here the term “Relative” means relative as defined under the Companies Act, 2013 and includes 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 another in the following manner, namely:
  - 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)

#### (B) Under SEBI Listing Regulations:

“Related Party” means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:

Provided that:

- a) any person or entity forming part of the promoter or promoter group of the Company;  
or

b) any person or entity, holding equity shares of ten percent (10%) or more in the Company either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year; shall be deemed to be a related party.

(C) Under the Accounting Standards as may be in force from time-to-time:

A related party is a person or entity that is related to Newgen that is preparing its financial statements

- a) A person or a close member of that person's family is related to a Newgen entity if that person:
  - i. has control or joint control over the Newgen.
  - ii. has significant influence over the Newgen; or
  - iii. is a member of the key management personnel of the Company.
- b) An entity is related to Newgen if any of the following conditions applies:
  - i. The entity and Newgen 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).

**3.10 "Related Party Transaction" also referred as "RPT"**

RPT under Companies Act:

Any contract or arrangement with respect to the following shall be considered as a Related Party Transactions (RPTs):

- 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; or

Notwithstanding the foregoing, the following shall not be deemed RPTs:

- i. Any transaction which is in the ordinary course of business and on an arms' length basis as determined in terms of this Policy.
- ii. Any other exception which is consistent with the Applicable Laws, including any rules or regulations made thereunder.

The expression “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

RPT as per SEBI Listing Regulations:

A “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 by the listed entity 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) retail purchases from the Company or its subsidiary by the directors or key managerial personnel of the Company or its subsidiary, and relatives of such directors or key managerial personnel, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel.

**3.11 “Transaction”** shall be construed to include single transaction or a group of transactions in a contract.

*Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in other Statutory Policies of the Company formulated under the relevant laws, the Companies Act, 2013 and SEBI Regulations or in any applicable laws/ rules/ Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.*

#### **4. Materiality Thresholds:**

Regulation 23 of the SEBI Listing Regulations requires a Company to provide materiality thresholds for transactions and subsequent material modifications beyond which the prior shareholders' approval will be required by way of a special resolution. The Board of Directors of the Company has fixed its materiality threshold as prescribed in Annexure A of this Policy.

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 of the annual consolidated turnover of the listed entity as per the last audited financial statements of the Company.

#### **5. Determining “Ordinary Course of Business” in the Related Party Transaction**

“**Ordinary Course of Business**” means a transaction which is:

- is in line with the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities
- usual as per industry practice within India or overseas, or
- happening frequently over a period of time and is for the business purpose of the Company, or
- necessary, normal, regular and incidental to the business of the Company, or
- carried out in the normal course of business envisaged in accordance with the Memorandum of Association ('MoA') of the Company as amended from time to time, or
- the income, if any, earned from such activity/ transaction is assessed as business income in the Company's books of accounts and hence is a business activity; or
- common commercial practice, or
- meets any other parameters/ criteria as decided by the Board of Directors of the Company with the recommendation of the Audit Committee, time to time.

#### **6. Determination of Arms' Length Nature of the Related Party Transaction**

The expression “arms' 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. At the time of determination of the arms' length nature of price charged for the Related Party Transaction, the Audit Committee shall take into consideration the following:

- a) Permissible methods of arms' length pricing as per Applicable Law including such prices where the benefit of safe harbor is available under Applicable Law.

- b) For the said purposes, the Audit Committee shall be entitled to rely on professional opinion in this regard or Transfer Pricing Study report..
- c) The Chief Financial Officer shall produce evidence to the satisfaction of the Audit Committee for complying with the said procedure, as and when applicable as required.

## **7. Identification of Potential Related Party Transactions**

- 7.1 Each Director / Key Managerial Personnel/ Promoter is responsible for providing notice to the Audit Committee/ Board, of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Audit Committee/ Board will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy. The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.
- 7.2 In addition to clause 7.1, the Interested Director/ also Key Managerial Personnel/Promoters may provide written notice to the Company Secretary of any potential RPT involving him or her or his or her Relatives, including any additional information about the transaction that the Company Secretary may reasonably request, for determining whether the transaction constitutes Related Party Transaction. The Company Secretary shall, in consultation with Chief Financial Officer or/ and with the Audit Committee, as appropriate, determine whether the transaction does, in fact, constitute a RPT requiring compliance with this Policy.
- 7.3 Every Director / Key Managerial Personnel of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into shall disclose the nature of his concern or interest at the meeting of the Audit Committee/ Board in which the contract or arrangement is discussed and shall not participate in or exercise influence over any such discussion.
- 7.4 Where any Director/ Key Managerial Personnel, who is not so concerned or interested at the time of entering such contract or arrangement, he or she shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he or she becomes concerned or interested or at the first meeting of the Audit Committee/ Board held after he or she becomes so concerned or interested.
- 7.5 A contract or arrangement entered by the Company without disclosure or with participation by a Director / Key Managerial Personnel who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the Company.
- 7.6 The Company strongly prefers to receive such notice of any potential RPT well in advance so that the Company Secretary has adequate time to obtain and review information about the proposed transaction and other incidental matters thereto and to refer it for approval.

Ratification of RPT after its commencement or even its completion may be appropriate in some circumstances.

7.7 A list of promoters and their relatives as fall under the definition of Related Party shall be kept by the Chief Financial Officer and Company Secretary of the Company for identifying any proposed transaction with them.

**8. Related Party Transactions which are on Arms' Length basis and are in ordinary course of business required**

8.1 Prior approval of Audit Committee.

Provided that only those members of the Audit Committee, who are Independent Directors, shall approve RPTs.

8.2 Approval of the Board of Directors

Provided that only those members of the Board who are Independent of this transaction shall approve RPTs

8.3 Prior approval of shareholders by way of ordinary resolution if such RPTs are "Material Related Party Transactions" as defined above.

The provisions of clause 8.1 and 8.2 shall not be applicable in case the:-

- a) the 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.
- b) 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.

**9. Transactions which are either not on Arms' Length basis and/or not in ordinary course of business**

9.1 Approval and Recommendation of Audit Committee prior to the transaction.

Provided that only those members of the audit committee, who are Independent Directors, shall recommend RPTs.

9.2 Prior approval of Board of Directors.

9.3 Prior approval of shareholders by way of ordinary resolution if such RPTs are "Material Related Party Transactions".

The provisions of clause 9.1, 9.2 and 9.3 shall not be applicable in case the:-

- a) the 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.

b) 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

**10. Transactions to which subsidiary of the Company is a party but the Company is not a party.**

10.1 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, shall require prior approval of the audit committee of the listed entity if the value of such transaction, exceeds the lower of the following:

- (a) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- (b) the threshold for material related party transactions of the Company as specified in Annexure A of this Policy. ;

10.2 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 the 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, prior approval of the audit committee of the Company shall be obtained if the value of such transaction exceeds the lower of the following:

- (a) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
- (b) the threshold for material related party transactions of listed entity as specified in Annexure A of this Policy.

**11. Approvals for Related Party Transaction:**

**11.1 Approval of Audit Committee**

- a) All related party transactions and subsequent material modifications, if any, shall require prior approval of the Audit Committee of Newgen.

Provided further that:

- i. Material modification in a related party transaction means any modification related to change in price and tenure and or any other criteria as may be decided by the Audit Committee, time to time.
- ii. remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation 23 of SEBI Listing Regulation.

- b) Company Secretary shall provide the information to the Audit Committee in the format specified in the RPT Industry Standards, as may be applicable, issued / directed by the SEBI and/ or respective Stock Exchanges, time to time. Audit Committee shall mandatorily review the statement of significant (i.e material) related party transactions as may be submitted by the management from time to time.
- c) Omnibus Approval by the Audit Committee: The Audit Committee may grant omnibus approval for RPT proposed to be entered into by the Company or its subsidiary subject to the following conditions:
  - In case of transactions that are repetitive in nature.
  - The Committee shall lay down valid grounds while making a decision for the need for such omnibus approval and see to it that such approval is in the best interest of the Company;
  - Such omnibus approval shall specify-
    - (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 RPT 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 (One Crore) per transaction.
  - Audit Committee shall review the details of RPTs entered into by the Company or its subsidiary pursuant to approval given to each of the omnibus transaction, atleast on a quarterly basis;
  - Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- d) Additional Criteria / guidelines for granting omnibus approval:
  - i. Notwithstanding the generality of foregoing, Audit Committee shall not grant omnibus approval for following transactions:
    - Transactions which are not in ordinary course of business or not on arm's length basis and covered under Section 188(1) of the Companies Act, 2013;
    - Transactions in respect of selling or disposing of the undertaking of the Company;
    - Transactions which are not in the interest of the Company;
    - Such other transactions specified under any applicable Law from time to time.
  - ii. Notwithstanding the generality of foregoing, the following transactions shall not be deemed Related Party Transactions for the purpose of this Policy and as such no omnibus approval is required to be granted for same:
    - Any transaction that involves providing of compensation to a Director or Key Managerial Personnel, in accordance with the provisions of Companies Act, 2013,

in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of business and travel expenses incurred in the ordinary course of business.

- Reimbursement made of expenses incurred by a Related Party for business purpose of the Company, or Reimbursement received for expenses incurred by the Company on behalf of a Related Party.
- Reimbursement of pre-incorporation expenses incurred by or on behalf of a Related Party.
- Any transaction in which the Related Party's interest arises solely by way of ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party, or other pro rata interest of a Related Party included in a transaction involving generic interest of stakeholders involving one or more Related Parties as well as other parties.
- Recurring transactions flowing out of a principal transaction or arrangement for which the Audit Committee has granted its omnibus approval
- Any other exception which is consistent with the Applicable Laws, including any rules or regulations made thereunder, and does not require prior approval by the Audit Committee.

iii. While granting omnibus approval to related party transactions, the Audit Committee shall review and consider: -

- The Related Party's interest in the RPT and the amount involved in the RPT;
- Whether the RPT was undertaken in the ordinary course of business of the Company;
- Whether the transaction with the Related Party is proposed to be, or was, entered on an arms' length basis;
- The purpose of and the potential benefits to the Company from the RPT;
- Whether there are any persuasive business reasons for the Company to enter in to the RPT and the nature of alternative transaction, if any;
- Whether the Company was notified about the RPT before its commencement and if not, why pre-approval was not sought and whether subsequent ratification would be detrimental to the Company;
- Type of public disclosure, if any, as required under the applicable laws;
- Any other information regarding the RPT or the Related Party in the context of the proposed transaction that would be material to the Audit Committee/ Board/shareholders, as applicable in light of the circumstances of the particular Transaction.

e) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

f) Any subsequent modification of transactions of the Company with related parties shall be done by the Audit Committee.

“Provided that in case of the transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

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 rupees one crore;
- (ii) the transaction is not material in terms of the provisions of sub-regulation (1) of Regulations 23 of the SEBI Listing Regulation.
- (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 this SEBI Listing Regulation.
- (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 listed entity against any loss incurred by it.”

Provided also that the provisions of clause (a), (b), (c) and (d) shall not apply to a transaction between a holding Company and its wholly owned subsidiary Company whose accounts are consolidated with Newgen and placed before the shareholders at the general meeting for approval.

#### 11.2 Approval of Board:

- All the transactions as specified under section 188 of the Companies Act 2013, shall be entered into with the consent of the Board of Directors given by the resolution at a meeting of the Board.

Provided that the Agenda of the Board meeting at which the resolution is proposed to be moved to approve related party transactions shall disclose:

- a. the name of the related party and nature of relationship;
- b. the nature, duration of the contract and particulars of the contract or arrangement;
- c. the material terms of the contract or arrangement including the value, if any;
- d. any advance paid or received for the contract or arrangement, if any;

- e. the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
- f. 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
- g. any other information as specified in the RPT Industry Standards.
- h. any other information relevant or important for the Board to take a decision on the proposed transaction.

- Where any Director is interested in any contract or arrangement with a related party, such Director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.
- If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

### 11.3 Approval of Shareholders

- a) All material related party transactions, other than the exempted transactions in the Company, shall require prior Shareholders approval by way of Resolution in General Meeting. All the transactions, other than the Material Related Party Transactions, which are not in the ordinary course of business or at Arm's Length basis shall also require the approval of the shareholders through resolution if so required under any law and the related parties shall abstain from voting on such resolution whether the entity is a related party to the particular transaction or not.

Provided further that the omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Companies Act, 2013 or rules, notifications, or circulars issued thereunder from time to time.

Provided further that in case of omnibus approvals for material related party transactions, granted by shareholders in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

- b) The Notice to the shareholders seeking approval of any material Related Party Transaction shall in addition to the requirement under Companies Act 2013, include other information as prescribed in the RPT Industry Standards.
- c) If any Director or employee of the Company has entered into a Contract or arrangement without the prior consent of the Board or Shareholders (when required) then such Contract or arrangement shall be 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, by the Shareholders and if the contract or arrangement is with a Related Party to any Director, or is authorized by any other Director, the Directors concerned shall indemnify the Company against any loss incurred by it.

## **12. Related Party Transactions not approved under this Policy**

- a) In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction.
- b) The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and shall take any such action as it deems appropriate to ratify the same. In any case, where the Audit Committee determines not to ratify a Related Party Transaction that has commenced without approval, the Audit Committee may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

## **13. Procedure to be followed for Related Party Transactions.**

The Chief Financial Officer of the Company shall ensure the following process to be followed for related party transactions. Chief Financial Officer may modify or amend the following procedure i.e., clause 13 of the Policy, as may be necessary, time to time.

- a) The CFO shall ensure that every RPT executed complies with the requirements of the Policy and all applicable laws.
- b) The Compliance officer shall identify the related party (ies), as applicable from time to time on annual basis and as and when there are any changes in related party(ies) and circulate the same to the concerned officials (as recommended by the Chief Financial Officer, time to time) of the Company. Thereafter, such concerned officials shall be responsible to identify such proposed transactions.
- c) The Director/ KMP/ Related Party shall bring to the notice of Compliance Officer of any transactions to be entered by the related party with the Company.
- d) The concerned officer shall approach Compliance Officer before entering into any transactions with Related Party(ies) along with the details of the transactions to be entered.
- e) After receipt of the notice, the compliance officer shall make sure that the transactions to be entered are as per the policy on RPTs approved by the Board and also verify the

approval sought for such transaction by the Audit Committee /Board/ Shareholders, as applicable.

- f) If the transaction to be entered into is already approved by the Audit Committee/ Board/ Shareholder, as applicable and if it is within the limit of approval then the compliance officer shall inform the respective department of the same and allow the transaction to proceed.
- g) If the transaction proposed to be entered into with related party is not already approved by the Audit Committee /Board /Shareholders, then the Chief Financial Officer shall ensure that the necessary approvals are received before executing such transaction.
- h) The Company shall follow the RPT Industry Standard, for detailing out the minimum information required to be provided for the review of the Audit Committee and Shareholders for approval of a Related Party Transaction (RPT).
- i) Any RPTs approved by the Audit Committee/ Board/ Shareholders shall be informed by the Company Secretary specifying the limit of approval.

#### **14. Disclosure**

- a) The details of all transactions with Related Parties shall be submitted, in the prescribed format to the stock exchanges, and requisite disclosures shall be made in other public documents/certificates as legally required, in the manner and as per the timelines set out in the Listing Regulations and the same shall be published on the Company's website.
- b) The particulars of contracts or arrangement with related parties referred in section 188(1) of the Act to be disclosed in the Directors Report in Form AOC-2.
- c) The Company shall disclose this Policy on its website and also a web link thereto shall be provided in its annual report.
- d) The Company shall keep and maintain a register, either physically or electronically, giving separately the particulars of all contracts or arrangements to which this Policy applies, and such register is placed/taken note of before the meeting of the Board of Directors.
- e) Every Director or Key Managerial Personnel shall, within a period of 30 (thirty) days of this appointment, or relinquishment of his office in other companies, as the case may be, disclose the Company the particulars relating to his/her concern or interest in the other Company which are required to be included in the register maintained.
- f) The Company shall make all other disclosures as may be required time to time pursuant to any other applicable laws.

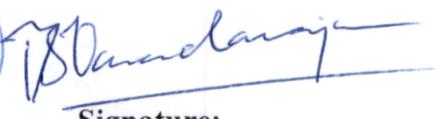
**15. Amendment**

- a) This Policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly.
- b) This Policy can be amended, modified or revised anytime with the approval of Audit Committee, subject to the provisions of SEBI Listing Regulations and the Companies Act, 2013 and Rules framed thereunder.

**16. General**

- a) In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.
- b) In case of any dispute or difference upon the meaning/interpretation of any provision in the Policy, the same shall be referred to the Audit Committee and the decision of the Audit Committee in such a case shall be final. In interpreting such term / provision, the Audit Committee may seek the help of any of the officers of the Company or an outside expert as it deems fit.
- c) Notwithstanding anything contained in this Policy, the Company shall ensure compliance with any additional requirements as may be prescribed under any laws/regulations either existing or arising out of any amendment to such laws/regulations or otherwise and applicable to the Company, from time to time.



  
Signature:  
T S Varadarajan  
Whole - time Director

**Place: New Delhi**

**Date: 20.01.2026**

**Annexure A**

**RELATED PARTY TRANSACTIONS**

**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 the following:**

- 10% of the annual consolidated turnover of the Company.**



**Signature:**

**T S Varadarajan**

**Whole - time Director**

**Place: New Delhi**

**Date: 20.01.2026**