



Related Party Transactions

Version: 2.0

Formulated by- Group Assurance and Cost Control (GACC)

Essar Shipping Limited

Related Party Transactions Policy

Document Control

Document Title	Related Party Transactions (RPTs) Policy
Created by	Group Assurance and Cost Control (GACC)
Reviewed by	Rajesh Gupta – Head GACC
Approved by	Respective Board of the Company
Effective date	Board approval date
Document applicability	Essar Group of Companies, its subsidiaries and its affiliates
Document classification	Company confidential
Version No.	2.0

Revision history

Version No.	Date of issue	Author	Approved by	Change details

Table of Contents

1.	Executive Summary – Related Party Transactions (RPTs)	4
2.	Introduction	5
3.	Purpose and Objective	5
4.	Scope	5
5.	Group Applicability and Entity-Level Customisation	6
6.	Definition	6
7.	Identification of Related Parties	8
8.	Materiality Threshold	9
9.	Identification of Related Party Transactions (RPTs)	10
10.	Procedure for approval of Related Party Transactions	10
11.	Arm’s Length Pricing	12
12.	Ordinary Course of Business	12
13.	Disclosure and Regulatory Requirement	13
14.	Related Party Transactions not approved under this RPT Policy	14
15.	Review of the RPT Policy	14
16.	Compliance Responsibility	14
17.	Appendix	15

1. Executive Summary – Related Party Transactions (RPTs)

This executive summary provides a **board-level, governance-centric, action-oriented overview** of the Company's Related Party Transaction (RPT) Policy. It outlines **what the company must ensure, what must be safeguarded**, and the **critical compliances** to ensure regulatory adherence, transparency, and defensible governance across all group entities.

Why RPTs Governance Matters

RPTs carry inherent **conflict of interest risk**, potential **misuse of authority**, and **regulatory exposure** if not governed rigorously. Strong RPT oversight strengthens:

- Stakeholder and investor confidence
- Accuracy and integrity of financial reporting
- Board and Audit Committee accountability
- Protection of minority shareholder interests

The company must ensure that all RPTs are: justifiable | defensible | compliant | auditable

Core Obligations of the Company

- **Identify** RPTs through disclosures, interest declarations, finance/procurement data and master list.
- Maintenance of a complete and current **master list** of related parties.
- **Assessment** of each RPT for arm's length basis, ordinary course of business, and appropriate approval level
- Robust **documentation** using benchmarks, valuations, comparables, and third-party evidence.
- Timely **statutory filings** and **disclosures**.
- **Prevention** of initiation or execution of any RPT without prior approvals.

Key Governance Safeguards

Audit Committee	Board Oversight	Shareholder Oversight
<ul style="list-style-type: none"> • Prior approval of all RPTs • Controlled use of omnibus approvals • Quarterly review of omnibus-approved RPTs • Independent determination of arm's length and ordinary course 	<ul style="list-style-type: none"> • Approval of non-arm's length / non-ordinary course RPTs • Oversight of material RPTs • Ensuring the RPT Policy implementation across group entities 	<ul style="list-style-type: none"> • Majority-of-minority approval for material RPTs • Mandatory abstention by related parties

Key Action Points

- Early identification and flagging of potential RPTs
- No execution without formal approvals
- Robust arm's length evidence
- Central archiving of contracts and support
- Periodic reviews to detect unreported RPTs and reporting to CFO, CS and Audit Committee
- Timely Companies Act and SEBI disclosures
- Regular updating of Related Party registers
- Continuous monitoring of materiality thresholds
- Immediate escalation of non-compliant RPTs.
- Annual review aligned with regulatory changes

2. Introduction

In the normal course of business, companies may engage in transactions with related parties, including entities under common control, entities that exercise significant influence, or entities in which key management personnel or their relatives hold personal or financial interests. While such transactions are often legitimate and commercially necessary, they may also create actual or perceived conflicts of interest if not subject to appropriate oversight.

Improperly governed RPTs can lead to misuse of authority, financial irregularities, and erosion of stakeholder confidence.

To promote transparency, fairness, and strong corporate governance, RPTs in India are regulated under a dual framework comprising the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Companies Act prescribes fundamental compliance and approval requirements for all companies, whereas SEBI LODR imposes enhanced disclosure and approval standards for listed entities to safeguard the interests of public and minority shareholders.

3. Purpose and Objective

The purpose of this RPT Policy is to establish a structured and transparent framework for identifying, evaluating, approving, and monitoring Related Party Transactions (RPTs) undertaken by the Company.

This RPT Policy aims to ensure that all RPTs are conducted in a manner that is fair, ethical, and consistent with the Company's commitment to sound corporate governance.

Objective of this RPT Policy:

- a. **Ensure compliance** with applicable legal and regulatory requirements, including the Companies Act, 2013, SEBI LODR Regulations, and relevant accounting standards.
- b. **Prevent actual or perceived conflicts of interest** arising from transactions with related parties.
- c. **Safeguard the Company's resources and protect stakeholder interests** by ensuring that are undertaken on terms that are reasonable, transparent, and at arm's length.
- d. **Define clear responsibilities and approval mechanisms** for the Board of Directors, Audit Committee, management, and employees involved in initiating or approving such transactions.
- e. **Provide a consistent and robust governance framework** that supports accurate financial reporting, enhances accountability, and promotes integrity in all business dealings involving related parties.

This RPT Policy serves as a guided document to ensure that RPTs are managed with a high degree of diligence, transparency, and oversight. This RPT Policy also establishes the principles, controls, and procedures through which the Company will identify, evaluate, approve, and monitor RPTs in compliance with the applicable legal and regulatory framework

4. Scope

This RPT Policy applies to all RPTs undertaken by the Company and is binding on the Board of Directors, Key Management Personnel (KMP) and Senior Management.

This RPT Policy extends to all business units, departments, subsidiaries and affiliates of the Company, unless explicitly exempted by law or regulatory guidance.

- a. Domestic and international transactions, including cross-border transactions with related parties.

- b. Transactions undertaken on a recurring, one-time, or exceptional basis, irrespective of the value, unless specifically exempt under applicable laws.

This RPT Policy should be read in conjunction with the Company's Code of Conduct, Delegation of Authority, Procurement policy, and other relevant internal guidelines. In the event of a conflict between this RPT Policy and applicable legal or regulatory requirements, the provisions of law shall prevail.

5. Group Applicability and Entity-Level Customisation

This RPT Policy to be adopted by business for the identification, approval, reporting, and disclosure of RPTs. Each Group entity shall implement this RPT Policy in a manner appropriate to its size, nature of operations, regulatory status, and business requirements.

The Chief Financial Officer (CFO) and Company Secretary (CS) of each Group entity shall be responsible for:

- a. Reviewing this RPT Policy in the context of the entity's business activities and regulatory obligations;
- b. Proposing such entity-specific modifications, thresholds, procedures, or internal controls as may be required to ensure effective implementation of this RPT Policy; and
- c. Placing the entity-specific version of the RPT Policy, along with any proposed deviations or enhancements, before the Board of Directors (and Audit Committee, where applicable) of the respective entity for approval.

Any such modifications shall remain consistent with the minimum standards, principles, and regulatory requirements prescribed under applicable laws.

The approved entity-level RPT policy shall be reviewed periodically and updated as and when required, subject to approval by the Board of the respective entities.

6. Definition

For the purpose of this RPT Policy, the following terms shall have the meanings assigned to them below. These definitions shall be interpreted in accordance with the Companies Act, 2013, the applicable accounting standards, SEBI LODR Regulations (where applicable), and any other relevant regulatory framework.

a. Related Party

A "Related Party" is any person or entity that meets the criteria specified under Section 2(76) of the Companies Act, 2013, Ind AS 24, SEBI LODR Regulations, or any statutory modification thereto. A Related Party includes, but is not limited to:

- a director or his relative;
- a key managerial personnel or his relative;
- a firm, in which a director, manager or his relative is a partner;
- a private company in which a director or manager or his relative is a member or director;
- a public company in which a director or manager is a director or and holds along with his relatives, more than two per cent of its paid-up share capital;

- any 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;
- 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;
- Anybody corporate which is—
 - a holding, subsidiary or an associate company of such company;
 - a subsidiary of a holding company to which it is also a subsidiary; or
 - an investing company or the venturer of a company;

b. Related Party Transactions (RPTs)

A “Related Party Transaction” means any transaction involving a transfer of resources, services, or obligations between the Company and a related party, regardless of whether a price is charged. RPTs may include, without limitation:

- Sale, purchase, or supply of goods or services
- Property transfers, leases, or licensing arrangements
- Borrowing, lending, guarantees, and security arrangements
- Transfer or use of intangible assets (e.g., IP, technology)
- Cost-sharing arrangements
- Reimbursements
- Any other transaction that provides a direct or indirect benefit to a related party

Sample of RPT transactions are mentioned in appendix

c. Key Management Personnel (KMP)

KMP includes the CEO, Managing Director, Whole-Time Directors, CFO, Company Secretary, or any other officers designated as KMP under the Companies Act or by the Board.

d. Relative / Immediate Family Member

As defined under Section 2(77) of the Companies Act, a relative includes:

- Spouse
- Parents (including step parents)
- Children and their spouses

- Siblings (including step-siblings)

e. Significant Influence

The power to participate in the financial or operating policy decisions of the Company but not control them, typically evidenced by ownership of 20% or more voting power, representation on the board, or participation in policy-making processes.

f. Control

The ability to govern the financial and operating policies of an entity to obtain benefits from its activities. Control may be direct or indirect and includes:

- Right to appoint majority of the Directors or control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or
- Power over relevant activities through contractual arrangements.

Please refer to the Companies Act 2013 and SEBI LODR regulations for latest amendments.

7. Identification of Related Parties

The Company has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation 2(1) (zb) of the SEBI Listing Regulations.

- a. ***Each Director and KMP shall disclose to the Company Secretary of the Company in form MBP-1***, at the time of appointment, beginning of every financial year and whenever there is any change in the disclosure so made, about all persons, entities, firms in which he/she is interested, whether directly or indirectly.
- b. The representatives from Finance and Accounts Department with help of procurement and other department, at the beginning of every financial year/subsequently, shall provide the ***information to the Company Secretary about the Related Parties within the Group Companies, and subsequent changes therein forthwith.***
- c. The directors / KMP of Subsidiary Companies of the Company shall disclose to the Company Secretary of the Company at the beginning of every financial year and whenever there is any ***change in the disclosure*** so made, the details of Related Parties of that Subsidiary.
- d. ***The Company Secretary shall compile the information received from all concerned*** and send the information about such Related Parties to the respective teams for their information and necessary action.

8. Materiality Threshold

Regulation 23 of the SEBI Listing regulations and Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, requires a Company to provide materiality thresholds for transactions with its related party. In any event, ***if a RPT exceeds the materiality threshold, prior approval of the shareholders of the Company will be required through an ordinary resolution. Prior approval of shareholders is also required in case of any subsequent material modifications to these already approved RPTs.***

a. Threshold as per Section 188 of the Companies Act, 2013

Nature of Transaction	Threshold for Materiality
Sale, purchase or supply of goods or materials	10% or more of the turnover of the Company
Selling, buying or disposing of property	10% or more of the net worth of the Company
Leasing of property	10% or more of the turnover of the Company
Availing or rendering of services	10% or more of the turnover of the Company
Appointment to office/place of profit	Remuneration > INR 2.50 lakh per month
Underwriting subscription of securities	Commission > 1% of net worth

Exemption:

No shareholder approval is required if the transaction is **at arm's length** and **in the ordinary course of business**, even if thresholds are exceeded.

b. Threshold as per SEBI LODR Regulations (2025 Amendment) (For listed entity)

Consolidated Turnover of Listed Entity	Materiality Threshold for RPT
Up to ₹ 20,000 crore	10% of consolidated turnover
INR 20,001 – INR 40,000 crore	INR 2,000 crore + 5% of (Turnover – INR 20,000 crore)
Above INR 40,000 crore	INR 3,000 crore + 2.5% of (Turnover – INR 40,000 crore) (Subject to INR 5,000 crore cap)
Availing or rendering of services	Material if > 5% of consolidated turnover

Please refer to the Companies Act 2013 and SEBI LODR regulations for latest amendments.

9. Identification of Related Party Transactions (RPTs)

The Company has formulated the procedure for identification of RPT's in accordance with Section 188 of the Act and Regulation 2(1)(zc) of the SEBI Listing Regulation. The Company has devised a process for determining whether the transaction is in Ordinary Course of business and at arm's length basis and for this purpose, the Company may seek external professional opinion, if necessary.

The concerned functional/ business head(s) or any employee of the company shall forward to the Company Secretary and Chief Financial Officer, the details of any proposed RPT with the draft terms and conditions or other relevant supporting documents to justify that such transactions are at Arm's Length and in the Ordinary Course of Business.

The Company Secretary or the Chief Financial Officer, upon receipt of such information, will ***review the transactions and supporting documents and if required seek additional information on the proposed RPT, after which it will be referred to the Audit Committee/Board as applicable for its approval and further action***, if any.

Any proposed modification(s) in the RPTs already entered into shall be intimated to the Company Secretary and Chief Financial Officer by the functional/ business head, which shall be placed before the Board/Audit Committee as may be applicable for their prior approval in accordance with this RPT Policy.

The Board/Audit Committee shall accordingly determine whether a transaction does, in fact, constitute a RPT requiring compliance with this RPT Policy.

Refer to appendix for Internal Approval Note.

10. Procedure for approval of Related Party Transactions

All Related Party Transactions ("RPTs") proposed to be undertaken by the Company shall be reviewed, evaluated, and approved in accordance with the requirements of the Companies Act, 2013 and, where applicable, the SEBI Listing Regulations. The process outlined below applies to all group companies, with additional approvals as required for listed entities.

a. Approval by Audit Committee

All RPT's require prior approval of Audit Committee. The Audit Committee may grant omnibus approval for RPT's proposed to be entered into by the Company subject to following conditions:

- The Audit Committee shall lay down the criteria for granting the omnibus approval in line with RPT Policy of the Company and such approval shall be applicable in respect of repetitive transactions.
- The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interests of the Company.
- Such omnibus approval shall specify
 - The name/s of the related party
 - Threshold limit of the transaction for one financial year that may be entered with the Related Party and,
 - 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 INR 1 Crore per transaction.

- The omnibus approval of the Audit Committee shall be valid for a period of one year or till the time the Audit Committee approves the new threshold limits whichever is later.
- The Audit Committee shall review at least on quarterly basis the details of RPT's entered into by the Company pursuant to each of the omnibus approval given.

b. Approval by the Board of Directors

As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and which are not in the ordinary course of business or not at arm's length basis, are placed before the Board for its approval.

In addition to the above, the following kinds of transactions with related parties are also placed before the Board for its approval:

Sr. No.	Type of RPTs	Approval Required
1	Transactions in the ordinary course of business and at arm's length, which exceed thresholds or meet other criteria specified by the Board under this RPT Policy	Audit Committee and Board
2	Transactions where the Audit Committee is unable to determine whether they are in the ordinary course of business and/or at arm's length	Board
3	Transactions in the ordinary course of business and at arm's length, which the Audit Committee considers appropriate to place before the Board	Audit Committee and Board
4	Transactions that meet the materiality thresholds under this RPT Policy and are proposed to be placed before shareholders	Audit Committee, Board and Shareholders

c. Approval by the Shareholders

Transaction with Related Parties covered within the scope of Section 188 of the Act, which are either not in the ordinary course of business or not on 'arm's length basis and exceeds the threshold prescribed under the applicable law shall require prior approval of the shareholders through ordinary resolution. Details of Shareholders approval are mentioned in appendix.

d. Unlisted Companies (Companies Act, 2013)

RPTs covered under Section 188 of the Companies Act, 2013, which are not in the ordinary course of business or not at arm's length, and which exceed the monetary thresholds prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014, shall require prior approval of the shareholders by an Ordinary Resolution.

No member who is a Related Party shall vote to approve such resolutions.

Shareholder approval is not required under Section 188 if the transaction is:

- a. in the ordinary course of business, and
- b. at arm's length.

e. Listed Companies (SEBI Listing Regulations)

All Material Related Party Transactions ("Material RPTs"), as defined under the SEBI Listing Regulations including the 2025 turnover-based materiality thresholds, shall require prior approval of the shareholders.

Such approval must be obtained through a Majority of Minority vote, whereby:

- c. All Related Parties must abstain from voting,
- d. regardless of whether they are related to the specific transaction or not.

11. Arm's Length Pricing

For the purpose of this RPT Policy, a RPT shall be considered to be at arm's length if the terms of the transaction are consistent with those that would apply between independent parties in similar circumstances, as required under Section 188 of the Companies Act, 2013 and as guided by Ind AS 24 – Related Party Disclosures.

Management shall ensure that appropriate justification and supporting documents are maintained to demonstrate that the pricing, terms, and conditions of the RPT are reasonable and comparable to market-based arrangements. The Company may refer to available market quotations, comparable third-party transactions, independent valuations, or other objective information that indicates that the transaction is conducted on an arm's length basis.

The Audit Committee shall review the information provided by management and make the final determination on whether a transaction meets arm's length requirements. The Audit Committee may call for additional information, clarification, or external assessment where necessary.

In absence of any prescriptive guidelines under the Act and Rules, a view could be taken that guidance may be sought from the arm's length principle and the transfer pricing methodologies prescribed under the Indian Income-tax Act, 1961 ("IT Act") as well as principles emerging from international laws in relation to determination of ALP in the context of transfer pricing regulations.

However, it should be borne in mind that the objective of a fiscal statute like the IT Act and the objectives of a minority protection provision like Section 188 are materially different. Hence, it would be unwise to entirely rely on the methods for determination of ALP prescribed under the IT Act. ALP determined using those methods would have persuasive value to assist the Audit Committee/Board of Directors. However, it does not absolve them from exercising their independent business judgment in a given case. The Board/Audit Committee will have to make a decision as to whether a transaction is at an arm's length or not by taking into consideration several factors such as benefits/ consideration for each of the parties to enter into the agreement, the prevalent market/industry practice, economic circumstances, the specific contractual understanding and / or terms between the parties, similar contracts executed between other unrelated parties, etc.]

12. Ordinary Course of Business

For the purpose of this RPT Policy, a RPT shall be considered to be in the Ordinary Course of Business (OCB) if it is undertaken in the normal course of the Company's business activities and is consistent with the main objects of the Company as stated in its Memorandum of Association, in accordance with the intent of Section 188 of the Companies Act, 2013.

Management shall ensure that appropriate justification and supporting documents are maintained to demonstrate that the transaction forms part of the Company's regular business operations or is otherwise customary and incidental to its business activities. The Audit Committee shall review the rationale submitted by management and make the final determination on whether a transaction qualifies as being in the ordinary course of business.

Refer to appendix for an illustrative list of transactions which are not OCB.

13. Disclosure and Regulatory Requirement

Regulatory Framework	Disclosure Requirement	Form / Mode	Key Details
Companies Act, 2013	Disclosure of Directors' interest	Form MBP-1	To be disclosed by every Director at the time of appointment, at the first Board meeting of each financial year, and upon any change; placed before the Board.
	Register of related party contracts and arrangements	Form MBP-4	Register to be maintained for all RPTs approved by the Audit Committee, Board, or shareholders.
	Disclosure in Board's Report	Form AOC-2	Disclosure of RPTs not at arm's length, not in the ordinary course of business, or requiring approval under Section 188.
	Annual Return disclosure	Form MGT-7	Disclosure of contracts/arrangements with related parties, summary of RPTs reported in AOC-2, and relevant shareholding/relationship details.
	Shareholder meeting notice	Notice	Where shareholder approval is required, an explanatory statement of notice shall include particulars as prescribed under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.
SEBI Listing Regulations (for listed companies)	Half-yearly RPT disclosure to stock exchanges	Regulation 23(9)	Disclosure in SEBI-prescribed format within 15 days of publication of financial results
	Disclosure for material RPTs	Regulation 23(4)	Shareholder meeting notice to include prescribed information, Audit Committee recommendation, and rationale
	Corporate Governance Report	Regulation 27(2)	Quarterly disclosure of applicable RPT information, including omnibus approvals and material RPTs
	Event-based disclosure	Regulation 30	Disclosure to stock exchanges where an RPT qualifies as a material event within the prescribed timelines.
	Website disclosure	Regulation 46	Hosting of the RPT Policy and half-yearly RPT disclosures; weblink to be provided in the Annual Report
Ind AS 24	Financial statement disclosures	Notes to financial statements	Disclosure of related parties, nature of relationships, transaction values, outstanding balances, terms and conditions, commitments, guarantees, provisions, and KMP compensation

Audit Committee Reporting	Periodic reporting of RPTs	Management reporting	Details of existing, proposed, and approved RPTs, arm's length and ordinary course assessments, status of omnibus approvals, and deviations, if any
Board Reporting	Summary reporting by Audit Committee	Board agenda / notes	Summary of significant RPT approvals, compliance status, and matters requiring Board attention
General	Compliance with applicable laws	—	All disclosures to be made accurately, in prescribed formats, and within statutory timelines, including amendments thereto

Please refer to the Companies Act 2013 and SEBI LODR regulations for latest amendments.

14. Related Party Transactions not approved under this RPT Policy

In the event the Company becomes aware of a RPT that has not been approved or ratified under this RPT Policy, the transaction shall be placed as promptly as practicable before the Audit Committee or Board of Directors or the Shareholders as the case may be required in accordance with this RPT Policy for review and ratification.

The Audit Committee or the Board of Directors or the shareholders shall consider all relevant facts and circumstances of such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision or termination of such transaction and the Company shall take such actions as Audit Committee deems appropriate under the circumstances.

15. Review of the RPT Policy

The adequacy of this RPT Policy shall be reviewed and reassessed by the Group Assurance and Cost Control (GACC) annually and appropriate recommendations shall be made by the Audit Committee to the Board to update the RPT Policy based on the changes that may be brought about due to any regulatory amendments or otherwise

16. Compliance Responsibility

Compliance of this RPT Policy shall be the responsibility of the Chief Finance Officer, the Company Secretary and Chief Legal Officer of the Company, severally, who shall have the power to ask for any information or clarifications from the management in this regard.

17. Appendix

Appendix 1: Sample list of RPT transactions (Illustrative)

For the purpose of this RPT Policy, RPTs may include, but are not limited to, the following types of transactions, arrangements, and commitments undertaken directly or indirectly with a Related Party:

- a. Sale / Purchase / Transfer of Goods & Materials
 - Sale of finished goods, raw materials, consumables, inventory
 - Purchase of raw materials, consumables, stock-in-trade
 - Transfer of goods across divisions or group entities
 - Trading transactions undertaken on behalf of group companies
- b. Sale / Purchase / Transfer of Property or Assets
 - Sale, purchase, or transfer of immovable property
 - Acquisition or disposal of land, building, and leasehold rights
 - Transfer of plant & machinery, equipment, vehicles, tools
 - Sale or purchase of intangible assets (brands, trademarks, software, licenses)
 - Disposal of scrap or surplus assets to related parties
- c. Leasing Transactions
 - Leasing or sub-leasing of office premises, warehouses, land, or equipment
 - Renting of assets between group entities
 - Shared premises or co-working arrangements
- d. Availing or Rendering of Services
 - Professional services (legal, consulting, audit, technical)
 - Shared services (HR, payroll, IT support, administration, procurement)
 - Management services or advisory support
 - Marketing, branding, and advertising services
 - Engineering, design, R&D or development services
 - Facility management, security, housekeeping services
- e. Financing Arrangements
 - Loans or advances granted
 - Loans taken, intercorporate deposits (ICDs)
 - Issue of promissory notes, commercial papers
 - Credit facilities, guarantee-backed borrowings
 - Debt restructuring or settlement arrangements
- f. Guarantees or Security
 - Corporate guarantees issued on behalf of a related party
 - Letters of comfort
 - Security provided on related party loans
 - Collateral arrangements or charge creation
- g. Transfer of Resources or Obligations
 - Cost-sharing or cost allocation agreements
 - Shared employee costs or secondment arrangements
 - Transfer of obligations or liabilities
 - Undertaking commitments on behalf of related parties
- h. Reimbursement Arrangements
 - Recovery of expenses incurred on behalf of a related party

- Reimbursement of travel, utilities, manpower, or administrative costs
- Recharge of expenses through internal accruals

- i. Licensing & Intellectual Property Transactions
 - Licensing of patents, trademarks, copyrights
 - Royalty payments for use of brand name or technology
 - Software licensing or transfer
 - Franchise fees

- j. Corporate Support & Group-Level Transactions
 - Treasury management or cash pooling
 - Group insurance arrangements
 - Shared procurement or vendor negotiations
 - Centralized ERP or IT systems charged across group companies

- k. Purchase or Sale of Securities
 - Purchase of equity, preference shares, debentures
 - Sale or transfer of investments
 - Subscription to rights issue, private placement issued by related parties

- l. Business Transfers / Combinations
 - Slump sale or hive-off of business units
 - Transfer of undertakings
 - Joint ventures, partnership agreements
 - Mergers, demergers, or reorganization within group entities

- m. Employee-Related Transactions
 - Remuneration paid to directors or KMP
 - Commission, sitting fees, bonuses, ESOPs granted to related parties
 - Appointment to office/place of profit
 - Secondment or deputation of employees



- n. Guarantees & Indemnities
 - Indemnification provided under commercial agreements
 - Parent-company guarantees
 - Performance guarantees to customers or suppliers

- o. Other Financial Transactions
 - Writing off debts or advances due from related parties
 - Settlement of claims or disputes
 - Transfer pricing adjustments
 - Compensation for termination of agreements

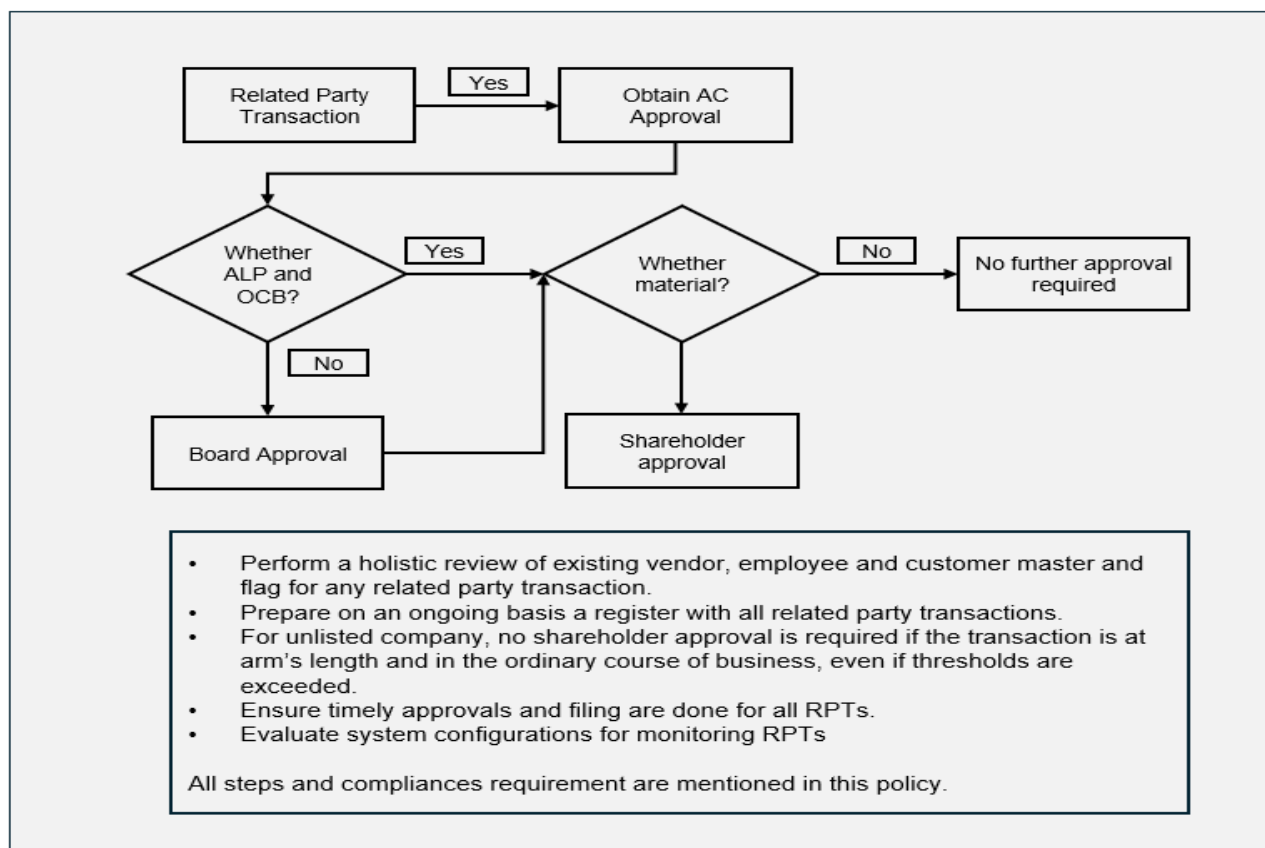
- p. Any Other Transactions as May Be Prescribed
 - Any transaction specifically covered under Section 188 of the Companies Act
 - Any transaction classified as RPT under SEBI LODR
 - Any transaction identified as RPT under Ind AS 24
 - Any transaction determined by Audit Committee or Board as RPT

The above list is illustrative in nature and is not intended to be exhaustive.

Appendix 2: Illustrative template for maintenance and approvals of RPTs

Template Name	File
Details to be presented to Audit Committee or Board (As applicable) <i>Note: The list is provided as an illustrative. The Company must evaluate the regulatory and audit committee requirement and accordingly prepare the same.</i>	 Details to be reported to AC/Board
Internal Approval Note	 Internal Approval Note

Appendix 3: Illustrative flow of RPT process:



Appendix 4: RPTs approval process by the Shareholders

Transaction with Related Parties covered within the scope of Section 188 of the Act, which are either not in the ordinary course of business or not on 'arm's length basis and exceeds the threshold prescribed under the applicable law shall require prior approval of the shareholders through ordinary resolution. Details of Shareholders approval is mentioned in Appendix 4

No member of the Company shall vote on such resolution, to approve the contract or arrangement which may be entered by the Company, if such member is a Related Party.

In addition to the above, all kinds of transactions specified under Section 188 of the Act which are

- not at Arm's Length or not in the ordinary course of business; and
- exceed the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 are placed before the shareholders for its approval.

However, the requirement of shareholders' prior approval for Material RPTs shall not be applicable for the following cases:

- Transactions in respect of a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code (IBC) 2016, subject to the event being disclosed to recognized stock exchange within one day of the resolution plan being approved.
- RPTs, where the listed subsidiary of the Company is a party, but the Company is not a party, and if Regulation 23 and Regulation 15(2) of SEBI Listing Regulations are applicable to such listed subsidiary.
- RPTs of unlisted subsidiaries of the listed subsidiary of the Company, where the prior approval of the shareholders of the listed subsidiary is obtained.
- Transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.
- 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.

Exemptions from Shareholder Approval for Listed Entities

Shareholder approval shall not be required for the following transactions:

- Transactions pursuant to a resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016, provided the event is disclosed to the stock exchange within one day.
- RPTs where a listed subsidiary of the Company is a party and the Company is not a party, provided Regulations 23 and 15(2) apply to such listed subsidiary.
- RPTs of unlisted subsidiaries of a listed subsidiary, where the shareholders of the listed subsidiary have already approved the transaction.
- Transactions between the Company and its wholly owned subsidiary, whose accounts are consolidated with the Company and placed before the shareholders.

- Transactions between two wholly owned subsidiaries, whose accounts are consolidated with the Company and placed before the shareholders.

Appendix 5: Indicative list of non- ordinary course transactions

- Equity transactions, such as corporate restructurings or acquisitions
- Transactions with offshore entities in jurisdictions with weak corporate laws
- The leasing of premises or the rendering of management services by the entity to another party if no consideration is exchanged.
- Sales transactions with unusually large discounts or returns
- Transactions with circular arrangements, for example, sales with a commitment to repurchase
- Transactions under contracts whose terms are changed before expiry