



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

<b>Approved on</b>	<b>09.09.2024</b>
<b>Revised on</b>	<b>29.01.2026</b>

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## 1. Applicability and Effective date

NTPC Green Energy Limited (“the Company” or “NGEL”) had formulated a Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions, which was effective from 09.09.2024. The Policy is being revised with effect from 29<sup>th</sup> January 2026, unless specified otherwise.

This Policy is formulated to regulate the related party transactions 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 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time [SEBI (LODR) Regulations, 2015] and intended to ensure the proper approval and reporting of the related party transactions. Further, Regulation 23(2) of the aforesaid regulations, requires the Audit Committee to define material modification and disclose it as a part of the policy.

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 endeavour must be based on the compliance principle, which would meet the higher governance standards.

## 3. Definitions

- i. **“Arm’s Length Transaction”** shall be as defined in explanation (b) to Section 188 (1) of the Companies Act, 2013, means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest.
- ii. **“Associate Company”** shall be as defined in Section 2(6) of the Companies Act, 2013.
- iii. **“Board”** means the Board of Directors of NTPC Green Energy Limited.
- iv. **“Companies Act, 2013” or “the Act”** means the Companies Act, 2013 as amended from time to time.
- v. **“Key Managerial Personnel”** shall be as defined in Section 2(51) of the Companies Act, 2013.
- vi. **“Material Modifications”** means any modification to the existing Related Party Transaction which has the effect of increasing or decreasing the value of original contract by 35% or more.
- vii. **“Material Related Party Transaction”** shall be a transaction with a related party having value exceeding the threshold limits as prescribed under the SEBI (LODR) Regulations, 2015 and/ or limit defined under the Companies Act, 2013 for shareholders’ approval, whichever is lower.

As per SEBI (LODR) Regulations, 2015, 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 thresholds specified in Schedule XII of SEBI (LODR) Regulations 2015 as amended from time to time:

Consolidated Turnover of Listed Entity	Threshold
i. Up to ₹20,000 Crore	10% of the annual consolidated turnover of the Company
ii. More than ₹20,000 Crore to upto ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the Company above ₹20,000 Crore
iii. More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the Company above ₹40,000 Crore or ₹5000 Crores, whichever is lower.

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

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.

As per provisions of the Companies Act, 2013 transaction beyond the following threshold limits shall require shareholders' approval and accordingly shall be regarded as material:

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 of the Companies Act, 2013.
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 of the Companies Act, 2013.
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 of the Companies Act, 2013.
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 of the Companies Act, 2013.

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.

viii. **“Office or Place of Profit”** shall be as defined in explanation (a) to Section 188 of the Companies Act, 2013. Accordingly, the expression “office or place of profit” means any office or place—

- 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.
- 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.

ix. **“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:

- a) is normal or otherwise remarkable/ characteristics for our particular business (i.e. features in our system, processes, advertising, staff training, etc.)
- b) is frequent and regular
- c) involves significant amounts of money
- d) is a source of income for our business
- e) involves significant allocation of resources

f) is involved in a service or product that is offered to customers

x. **“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 or under Regulation 2(1) (zb) of SEBI (LODR) Regulations 2015 as amended from time to time.

As per the above provisions, the illustrative list of Related Parties of NTPC Green Energy Limited is given below:

Sl. No.	Related Party	Remarks, if any,
1.	Any Director, KMP or their relative	
2.	A firm, in which a director, manager or his relative is a partner	
3.	A Private Company in which a director or manager or his relative is a member or director	
4.	A public company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid-up share capital	
5.	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 (except on professional basis)	Not applicable to the advice, directions or instructions given in a professional capacity
6.	Any person on whose advice, directions or instructions a director or manager is accustomed to act.	
7.	A holding, subsidiary or an associate company.	
8.	A subsidiary of a holding company to which it is also a subsidiary	
9.	An investing company or the venturer of the company  Note: 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	
10.	Any person or entity forming a part of the promoter or promoter group	
11.	Any person or any entity, holding equity shares of 10% or more.	% Shareholding needs to be at any time, during the immediately preceding financial year

12.	<p>A person or a close member of that person's family if that person:</p> <ul style="list-style-type: none"> <li>(i) has control or joint control of NGEL;</li> <li>(ii) has significant influence over NGEL; or</li> <li>(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.</li> </ul>	
13.	<p>An entity is related to a reporting entity if any of the following conditions applies:</p> <ul style="list-style-type: none"> <li>(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)</li> <li>(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).</li> <li>(iii) Both entities are joint ventures of the same third party.</li> <li>(iv) One entity is a joint venture of a third entity, and the other entity is an associate of the third entity.</li> <li>(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.</li> <li>(vi) The entity is controlled or jointly controlled by a person identified in 12 (i).</li> <li>(vii) A person identified in 12 (i)&amp; (ii) 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).</li> <li>(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.</li> <li>(ix) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including: that person's children, spouse or domestic partner, brother, sister, father and mother, children of that person's spouse or domestic partner; and dependents of that person or that person's spouse or domestic partner.</li> </ul>	

xi. **“Related Party Transaction”** shall be as per Regulation 2(1)(zc) of SEBI (LODR) Regulations, 2015. Accordingly, a related party transaction is a transaction involving transfer of resources, services, or obligations between

- 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
- b. 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.

A **“transaction”** with a related party shall be construed to include 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 buy-back of securities.
- c. retail purchases from any listed entity or its subsidiary by its the directors or key managerial personnel of the listed entity or its subsidiary, and relatives of such directors or key managerial personnel, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel.

xii. **“Relative”** shall be as defined in Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014

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

xiv. **“Subsidiary Company”** shall be as defined in Section 2(87) of the Companies Act, 2013.

xv. **“Industry Standards”** shall mean the Industry Standards on **“Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”** as notified by SEBI vide its circular dated February 14, 2025 or as amended from time to time.

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



#### 4. Approval and Review of Related Party Transaction

##### A. Transactions which require prior approval of Audit Committee

###### i. **Transactions where NGEL is a Party:**

All Related Party Transactions and subsequent modifications shall be subject to the prior approval of the Audit Committee. Further, only those members of the audit committee, who are independent directors, shall approve related party transactions.

###### ii. **Transactions where subsidiary of NGEL is a party (but NGEL is not a party)**

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 NGEL is a party but NGEL is not a party, shall require prior approval of the Audit Committee of NGEL if the value of such transaction, exceeds the lower of the following:

###### **a) For subsidiaries having audited financials:**

- a. ten percent (10%) 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 listed entity as specified in Clause 3(vii) above.

###### **b) For new subsidiaries does not have audited financial statements for a period of at least 1 year:**

- 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 Clause 3(vii) above.

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

Prior approval of the audit committee of NGEL shall not be required for a RPT to which its listed subsidiary is a party, but NGEL is not a party, if regulation 23 and 15(2) of SEBI (LODR) Regulations 2015 are applicable to such listed subsidiary.

###### iii. **Omnibus Approval:**

###### **a) Proposals for which Omnibus approval can be taken & manner of Taking Omnibus approval**

The Audit Committee may grant the omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiaries as applicable subject to the following conditions / criteria:

1. Transactions are **frequent/regular/repetitive** in nature and are in the normal course of business of the Company.

2. The Audit Committee shall satisfy itself the need for such omnibus approval in the best interest of the Company.
3. The maximum aggregate value of all transactions taken together in a financial year with a related party which can be approved under omnibus route in a financial year, shall not exceed limit of Material Related Party Transaction.
4. 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. One crore per transaction.

5. The Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Company or its subsidiaries pursuant to each of the omnibus approval given.
6. The omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of the financial year.
7. The Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.
8. if transaction details are not known in advance, i.e. for unforeseen/ unplanned transaction, omnibus approval can be granted for upto Rs. 1 crore per transaction.

**iv. Consideration by the Audit Committee while approving Omnibus Approval:**

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.

Where proposal for any Related Party Transactions is placed but not approved by the Audit Committee, reasons for such should be recorded.

v. **Review by the Audit Committee:**

The Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis. The onus to place such agenda shall be on the department who has initiated the agenda at the time of original approval.

vi. **Ratification of transaction by Audit Committee:**

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 Regulation 23(1) of SEBI LODR;
- 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 Regulation 23(9) of SEBI LODR;
- 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 party related to any director, key managerial personnel and promoters, or is authorised by any other director, key managerial personnel and promoters, the concerned director, key managerial personnel and promoters shall indemnify the Company against any loss incurred by it.

**B. Approval of the Board and Shareholders – Mechanism**

- i. **Prior approval of the Board at a meeting** - No approval of the Board is required for Related party transaction, if it is in ordinary course of business and on arm's length basis.

All transactions as given in Section 188 (1) of the Companies Act, 2013 shall require prior approval of the Board if the transaction is not in ordinary course of business or not on arm's length basis.

- ii. **Prior approval of the Shareholders** – shall be required for Material Related Party Transactions as defined in Clause 3 (vii). However, the same shall be put up to the Board for its approval at its meeting before the approval of shareholders.

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.

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.

**Note:** In case of transactions covered under clause 4(A)(ii) i.e. in cases where transaction is between subsidiary of NGEL and related parties and NGEL is not a party, ceiling as per provisions of SEBI LODR Regulations 2015, shall be considered for taking approval of shareholders.

- iii. **Voting:** No related party shall vote on such resolutions irrespective of whether the entity is a related party to the particular transaction or not.
- iv. **Ratification :** 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 authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

## 5. Exemptions under the Companies Act, 2013 and under SEBI (LODR) Regulations, 2015 and other exemptions:

- a) Subject to the extant provisions, the following exemptions shall be applicable under the Act and Listing Regulations:

Particulars	Exemption
The requirement of approval of the Audit Committee as per the Companies Act, 2013	<ul style="list-style-type: none"> <li>For a transaction, other than a transaction referred to in section 188 of the Companies Act, 2013, between a holding company and its wholly owned subsidiary company.</li> </ul>
The requirement of passing the resolution by the shareholders as per the Companies Act, 2013	<ul style="list-style-type: none"> <li>For transactions entered into between a listed 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.</li> <li>To a government company in respect of contracts or arrangements entered into by it with any other Government company.</li> </ul>
The requirement of the Board approval	<ul style="list-style-type: none"> <li>If the transactions are at arms' length and in the ordinary course of business.</li> </ul>

<p>The requirement of approval of the Audit Committee and the Shareholders for RPTs under the SEBI (LODR) Regulations 2015</p>	<ul style="list-style-type: none"> <li>• For transactions entered into between a listed 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.</li> <li>• For transactions entered into between two public sector companies</li> <li>• 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.</li> <li>• In cases where the subsidiary is a listed entity and Regulations 23 and 15(2) of the SEBI (LODR) Regulations, 2015 are applicable to such listed subsidiary.</li> <li>• Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.</li> <li>• Transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand.</li> <li>• 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 transaction in terms of the clause 3 (vii) of the Policy.</li> </ul>
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b) **Other Exemptions** – The following Related Party Transactions are deemed to be approved by the Audit Committee, and no separate approval shall be required:

- (i) Loans and advances to Directors / KMPs as a part of conditions of services extended by NGEL to all its employees.
- (ii) Payment or receipt of Dividend, interest and any other returns related to approval accorded for making any investment / loans etc.
- (iii) Payments of statutory contributions to various employees' post-employment benefits trusts/schemes.
- (iv) Deputation/secondment of employees in group companies.
- (v) Transactions in the nature of reimbursements from/to group companies at actuals.
- (vi) Transactions involving corporate restructuring, such as buy-back of shares, capital reduction, merger, demerger, hive-off etc. which are approved by the Board and carried out in accordance with the specific provisions of the Companies Act, 2013 or the SEBI (LODR) Regulations 2015.
- (vii) Contribution towards Corporate Social Responsibility (CSR) within the overall limits approved by the Board that require approval of the CSR Committee; and
- (viii) Any other transactions based on directions from Ministries, Government of India.

## 6. Disclosures:

### Details to be provided for approval of Audit Committee/ Board/ Shareholders

S. No.	Particulars	Information/Disclosures to be provided
1	<b>For transactions to be entered into between NGEL and its Subsidiary</b>	Disclosures as specified in <b>Annexure A</b>
2	<b>a. For transactions to be entered into between NGEL and Related Parties other than its subsidiary:</b> <b>b. For transactions above Rs. 1 crore, to be entered into between Subsidiaries and Related Parties, where NGEL is not a party, and the value of such transaction, exceeds the lower of the criteria mentioned in the clause 4(A) (ii) of this policy</b>	
	(a) If the transactions whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification) <b>upto Rs.10 Crore or 1% of NGEL's last audited consolidated turnover, whichever is lower;</b>	Disclosures as specified in <b>Annexure A</b>
	(b) if the transactions whether individually or taken together with previous transaction(s) during a financial year (including	Disclosures in accordance with <b>Annexure B (Industry Standards)</b> , as detailed below:

	transaction(s) which are approved by way of ratification) <b>exceeds Rs.10 Crore or 1%</b> of NGEL’s last audited consolidated turnover, whichever is lower;	
	(i) all Related Party Transactions	Disclosures as specified in <b>Part A of Annexure B (Industry Standards)</b>
	(ii) Specific type of RPTs as mentioned in Part B of Annexure B	Disclosures as specified in <b>Part A and Part B of Annexure B (Industry Standards)</b>
	(iii) Specific type of RPTs (as mentioned in Part C of Annexure B), proposed to be undertaken is a Material RPT (as defined under Clause 3(vii) of this Policy).	Disclosures as specified in <b>Part A, Part B and Part C of Annexure B (Industry Standards)</b>
	<b><u>Note-</u> In case of Board approval similar disclosures as stated above shall be provided with Board agenda.</b>	
<b>3</b>	<b>Details to be provided to Shareholders</b>	
	a) For Material Related Party transactions as defined under clause 3(vii) of this policy, to be entered into between NGEL and Related Parties	Disclosures as specified in <b>Para 5 of Annexure-B</b>
	b) For Material Related Party transactions as defined under clause 3(vii), to be entered into between Subsidiaries and Related Parties, but NGEL is not a Party	
<b><u>Note:</u> Guidelines for placing information to the Audit Committee and Shareholders as mentioned in the Annexure-B (Industry Standard) shall be followed, as may be applicable.</b>		

## 7. Authority to Amend the Policy

The Chairman & Managing Director or Director (Finance) are authorized severally to carry out modifications in this policy and to approve such changes, as may be required in order to comply with the applicable / amended provisions of law or to comply with any direction, circular etc. issued by the Regulator(s); and to settle any issue with respect to interpretation of this policy. The updated and amended policy shall be placed before the Audit Committee & Board for information.

## 8. Disclaimers

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

## **9. Review of the Policy**

The Policy and its material threshold limits shall be reviewed and approved by the Board of Directors of the Company at least once in every three years, or at a frequently as may be prescribed under the applicable regulations or best practices and updated accordingly.

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## Annexure – A

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

- a. Type, material terms and particulars of the proposed transaction, contract, or arrangement.
- b. 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).
- c. Nature and Tenure of the proposed transaction (particular tenure shall be specified).
- d. Value, maximum amount and any advance paid or received of the proposed transaction, contract, or arrangement.
- e. 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.
- f. 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).
- g. 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, intercorporate 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 RPT.
- h. Justification as to why the RPT is in the interest of the listed entity.
- i. A copy of the valuation or other external party report, if any such report has been relied upon.
- j. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis.
- k. 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
- l. Any other information that may be relevant.

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**Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”**

**(“RPT Industry Standards”)**

**Date: June 26, 2025**

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	PART A. Minimum information of the proposed RPT, applicable to all RPTs. (Para A1 to A5)	[8-11]
	PART B. Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A. <i>Seven types of RPTs have been specified</i> (Para B1 to B7)	[12-19]
	PART C. Information to be provided only if a specific type of RPT proposed to be undertaken is a <u>material RPT</u> and is in addition to Part A and Part B (with respect to such RPT). (Para C1 to C6)	[20-28]
5.	Minimum Information to be provided to the shareholders for approval of Material RPTs.	[29]

## EXECUTIVE SUMMARY

1. In accordance with the provisions of Regulation 23(2), (3) and (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), prior approval of the Audit Committee and shareholders, as the case may be, is required for the Related Party Transactions<sup>1</sup> (“**RPTs**”).
2. The objective of these RPT Industry Standards is to provide a standard format for minimum information to be provided to the Audit Committee and Shareholders (as applicable) for review and approval of RPT.
3. Accordingly, the Industry Standards Forum (“**ISF**”) comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, formulated standards for “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction (“**Industry Standards**”), in consultation with SEBI, which were notified vide SEBI Circular dated February 14, 2025 and effective from April 01, 2025. On receipt of feedback from various stakeholders requesting extension of timeline for applicability of the Industry Standards, SEBI notified that the effective date of the Circular shall be July 01, 2025.
4. Further, stakeholders also requested for simplification of the Industry Standards. SEBI, accordingly, advised the ISF to take into consideration such feedback and review the Industry Standards. Such revised Industry Standards (referred as “**RPT Industry Standards**”) have been now finalized by the ISF, in consultation with SEBI, which will substitute the Industry Standards notified by SEBI vide Circular dated February 14, 2025, and are structured as under:
  - **Part A:** This Part of the Standards captures the minimum information of the proposed RPT and is **applicable to all RPTs**.
  - **Part B:** This Part is **applicable only if a specific type of RPT is proposed to be undertaken** and is in addition to Part A. *Seven types of RPTs have been specified.*
  - **Part C:** This Part is **applicable only if a specific type of RPT proposed to be undertaken is a Material RPT** as defined under Regulation 23(1) & (1A) of the LODR Regulations (“**Material RPTs**”); and is in addition to Part A and Part B (with respect to such RPT).

*For example, if a listed entity seeks approval for a proposed RPT relating to loans, it must disclose information under Part A [sub-paras A(1) to A(6)] and Part B – Para B(2). If the proposed RPT is a Material RPT, then in addition to the disclosures under Part A and Part B – Para B(2), information under Part C – Para C(1) must also be provided.*
5. The minimum information to be provided to the shareholders for approval of Material RPTs is specified in **Para 5**.

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<sup>1</sup> The terms “related party” and “related party transaction” are as defined under LODR Regulations.

**Note:**

- (a) The RPT Industry Standards are only procedural in nature; the substantive compliance requirements are covered under the relevant provisions of the LODR Regulations.*
- (b) The RPT Industry Standards have been prepared in consultation with SEBI. Any modification to the RPT Industry Standards can be made only in consultation with SEBI.*
- (c) The RPT Industry Standards are in conformity with the provisions of the LODR Regulations and/or applicable SEBI Circulars. However, if a particular part of the RPT Industry Standards becomes inconsistent with subsequent changes in the LODR Regulations and/or SEBI Circular/s, the provisions of the LODR Regulations and/or the SEBI Circular/s shall prevail.*

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## 1. Applicability of the RPT Industry Standards:

- (1) The RPT Industry Standards shall be applicable for all RPTs placed for review and approval by the Audit Committee of the listed entity, in terms of Regulation 23(2) and 23(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”).
- (2) The RPT Industry Standards shall be applicable in case of material RPTs as defined under Regulation 23(1) & 23(1A) of the LODR Regulations, which are placed for approval of both the Audit Committee and the shareholders.
- (3) The RPT Industry Standards shall not be applicable to:
  - (a) Transactions exempted under Regulation 23(5) of the LODR Regulations; and
  - (b) Quarterly review of RPTs by the Audit Committee in terms of Regulation 23(3)(d) of the LODR Regulations.
  - (c) Transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year (including which are approved by way of ratification) **do not exceed Rs. One Crore.**
- (4) The RPT Industry Standards shall be applicable from **the date as may be specified by the SEBI (“effective date”)**. However, it is clarified that:
  - (a) If the Audit Committee and/or shareholders have granted approval before **effective date**, for RPTs to be executed on or after **effective date**, then it will not be necessary for the listed entity to seek approval during the validity of the approval unless there is any material modification to such RPTs which is presented to Audit Committee after **effective date**.
  - (b) If omnibus approval has been granted before **effective date** for RPTs for the financial year 2025-26, then the listed entity is not required to seek fresh approval with disclosures as per the RPT Industry Standards. However, any material modification to such RPTs on or after **effective date**, shall be subject to the RPT Industry Standards.
  - (c) If a Material RPT is approved by Audit Committee before **effective date**, the RPT Industry Standards shall not apply, irrespective of whether the notice to shareholders is sent either before or on or after the **effective date**.

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## **2. Words and expressions used in the RPT Industry Standards:**

The “words and expressions” used in the RPT Industry Standards shall be construed in the following manner:

- (1) Words and expressions defined under the LODR Regulations, shall be construed in the manner they have been defined in LODR Regulations;
- (2) Words and expressions used but not defined in LODR Regulations, but defined under the SEBI Act, 1992 or the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules thereof and regulations made thereunder shall have the same meaning as assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

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### 3. Guidelines for placing information to the Audit Committee:

- (1) The management of the listed entity, while providing the information to the Audit Committee, shall:
  - (a) Provide information in the format specified in the RPT Industry Standards. Where a field is not applicable, it shall be indicated as 'NA', and the reason for non-applicability shall be disclosed to the Audit Committee, unless it is self-evident.
  - (b) Provide Certificate from the Chief Executive Officer (CEO)/Managing Director/Whole Time Director/ Manager and Chief Financial Officer (CFO) of the Listed Entity confirming that the terms of RPTs proposed to be entered into are in the interest of the Listed Entity.
  - (c) Provide a copy of the valuation or other report of external party, if any.
  - (d) If the audited financial statements of the related party are not available for immediately preceding financial year, it shall provide the financial extracts as relevant to/for the minimum information to be provided under the RPT Industry Standards, duly certified by the related party, as drawn from its books of accounts.
  - (e) When the related party follows a different financial year, such fact shall be disclosed.
  - (f) In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction – *for example, (i) the sale of goods and the purchase of goods would need to be treated as separate transactions; (ii) the sale of goods and the sale of services would need to be treated as separate transactions; (iii) the giving of loans and the giving of guarantee would need to be treated as separate transactions*
- (2) The Audit Committee may, at its discretion, comment on information provided by the management. Such comments and the rationale for not approving a RPT shall be recorded in the minutes of the meeting of the Audit Committee.
- (3) The Audit Committee may seek any additional information from the management, as it deems necessary and reasonable, to evaluate the proposed RPT.

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**4. Minimum Information to be provided to the Audit Committee for approval (including ratification) of RPTs.**

**PART A**

**Minimum information of the proposed RPT, applicable to all RPTs**

*Note: This part requires disclosure in sub-para(s) (A1 to A5) under the following headings in case of all Related Party Transaction(s):*

- A(1): Basic details of the related party
- A(2): Relationship and ownership of the related party
- A(3): Details of previous transactions with the related party
- A(4): Amount of the proposed transaction(s)
- A(5): Basic details of the proposed transaction

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## A(1).

### Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	
2.	Country of incorporation of the related party	
3.	Nature of business of the related party	

## A(2).

### Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	<p>Relationship between the listed entity/subsidiary<sup>1</sup> (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:</p> <ul style="list-style-type: none"> <li>Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.</li> <li>Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).</li> <li>Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).</li> </ul> <p><b>Explanation:</b> Indirect shareholding shall mean shareholding held through any person, over which the listed entity/Subsidiary/ related party has control<sup>2</sup>.</p> <p>While calculating indirect shareholding, shareholding held by relatives<sup>3</sup> shall also be considered.</p>	

<sup>1</sup> The term “subsidiary”, is as defined under LODR Regulations, and accessible here: ([Link](#))

<sup>2</sup> The term “control” is as defined under LODR Regulations, and accessible here: ([Link](#))

<sup>3</sup> The term “relative” is as defined under LODR Regulations, and accessible here: ([Link](#))

**A(3).**

**Details of previous transactions with the related party**

S. No.	Particulars of the information	Information provided by the management									
1.	<p>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.</p> <table border="1"> <thead> <tr> <th>S. No.</th><th>Nature of Transactions</th><th>FY 20xx-20xx (INR)</th></tr> </thead> <tbody> <tr> <td> </td><td> </td><td> </td></tr> <tr> <td> </td><td> </td><td> </td></tr> </tbody> </table> <p><i>Explanation: Details need to be disclosed separately for listed entity and its subsidiary.</i></p>	S. No.	Nature of Transactions	FY 20xx-20xx (INR)							
S. No.	Nature of Transactions	FY 20xx-20xx (INR)									
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.										
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.										

**A(4).**

**Amount of the proposed transaction(s)**

S. No.	Particulars of the information	Information provided by the management								
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.									
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes or No?								
3.	Value of the proposed transactions as a percentage of the listed entity’s annual consolidated turnover for the immediately preceding financial year	%								
4.	Value of the proposed transactions as a percentage of subsidiary’s annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	%								
5.	Value of the proposed transactions as a percentage of the related party’s annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	%								
6.	<div>Financial performance of the related party for the immediately preceding financial year:<table><tr><th>Particulars</th><th>FY 20xx-20xx (INR)</th></tr><tr><td>Turnover</td><td></td></tr><tr><td>Profit After Tax</td><td></td></tr><tr><td>Net worth</td><td></td></tr></table></div> <div>Explanations: The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</div>	Particulars	FY 20xx-20xx (INR)	Turnover		Profit After Tax		Net worth		
Particulars	FY 20xx-20xx (INR)									
Turnover										
Profit After Tax										
Net worth										

**A(5).**

**Basic details of the proposed transaction**

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	
2.	Details of each type of the proposed transaction	
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	
4.	Whether omnibus approval is being sought?	<i>Yes or No</i>
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.  <i>Explanation:</i> Indirect interest shall mean interest held through any person over which an individual has control.	
	a. Name of the director / KMP	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	
9.	Other information relevant for decision making.	

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## **PART B**

### **Information to be provided *only* if a specific type of RPT as mentioned below is proposed to be undertaken and is in addition to Part A,**

- B(1): Sale, purchase or supply of goods or services or any other similar business transaction and trade advances
- B(2): Loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary
- B(3): Investment made by the listed entity or its subsidiary
- B(4): Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee) ), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary.
- B(5): Borrowings by the listed entity or its subsidiary
- B(6): Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate<sup>1</sup>.
- B(7): Transactions relating to payment of royalty

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<sup>1</sup> The term “associate” is as defined under LODR Regulations, and accessible here: ([Link](#))

**B(1).**

**Disclosure *only* in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances**

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	
2.	Basis of determination of price.	
3.	In case of Trade advance ( <i>of upto 365 days or such period for which such advances are extended as per normal trade practice</i> ), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	
	b. Tenure	
	c. Whether same is self-liquidating?	

**B(2).**

**Disclosure *only* in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary**

S. No.	Particulars of the information	Information provided by the management
1.	Source of funds in connection with the proposed transaction.  <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/housing finance companies.</i>	
2.	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance, specify the following:  <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.</i>	
	a. Nature of indebtedness	
	b. Total cost of borrowing	
	c. Tenure	
	d. Other details	
3.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/ other lenders. <i>Note:</i> (1) <i>This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.</i> (2) <i>Disclosure shall be made of borrowings undertaken by the listed entity with a comparable maturity profile to the loan/ICD being granted by the listed entity.</i>	
4.	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	
5.	Maturity / due date	
6.	Repayment schedule & terms	
7.	Whether secured or unsecured?	
8.	If secured, the nature of security & security coverage ratio	
9.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	

**B(3).**

**Disclosure *only* in case of transactions relating to investment made by the listed entity or its subsidiary**

S. No.	Particulars of the information	Information provided by the management
1.	Source of funds in connection with the proposed transaction.  <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.</i>	
2.	Where any financial indebtedness is incurred to make investment, specify the following:  <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs /insurance companies/housing finance companies.</i>	
	a. Nature of indebtedness	
	b. Total cost of borrowing	
	c. Tenure	
	d. Other details	
3.	Purpose for which funds shall be utilized by the investee company.	
4.	Material terms of the proposed transaction	



**B(4).**

**Disclosure *only* in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee ), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary.**

S. No.	Particulars of the information	Information provided by the management
1.	(a) Rationale for giving guarantee, surety, indemnity or comfort letter	
	(b) Whether it will create a legally binding obligation on listed entity?	<i>Yes or No</i>
2.	Material covenants of the proposed transaction including: (i) commission, if any to be received by the listed entity or its subsidiary; (ii) contractual provisions on how the listed entity or its subsidiary will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked.	
3.	The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary.  Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.	

**B(5).**

**Disclosure *only* in case of transactions relating to borrowings by the listed entity or its subsidiary**

S. No.	Particulars of the information	Information provided by the management
1.	Material covenants of the proposed transaction	
2.	Interest rate ( <i>in terms of numerical value or base rate and applicable spread</i> )	
3.	Cost of borrowing  <i>Note: This shall include all costs associated with the borrowing</i>	
4.	Maturity / due date	
5.	Repayment schedule & terms	
6.	Whether secured or unsecured	
7.	If secured, the nature of security & security coverage ratio	
8.	The purpose for which the funds will be utilized by the listed entity / subsidiary	

**B(6).**

**Disclosure *only* in case of transactions relating to transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate**

S. No.	Particulars of the information	Information provided by the management		
1.	Bidding or other process, if any, applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity.			
2.	Basis of determination of price.			
3.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate.			
4.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years:			
		<i>FY 20xx-20xx</i> (INR)	<i>FY 20xx-20xx</i> (INR)	<i>FY 20xx-20xx</i> (INR)
	Turnover			
	Net worth			
	Net Profit			
5.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking.			
	a. Expected impact on turnover			
	b. Expected impact on net worth			
	c. Expected impact on net profits			

**B(7).**

**Disclosure only in case of transactions relating to payment of royalty**

S. No.	Particulars of the information	Information provided by the management
1.	Purpose for which royalty is proposed to be paid to the related party in the current financial year.	
	<i>Note: For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology and know-how, <u>state the key components</u> of such agreements and <u>the reasons</u> royalty attributable to those key components could not be furnished separately.</i>	
	a. For use of brand name / trademark	<i>As a % of total royalty proposed to be paid</i>
	b. For transfer of technology know-how	<i>As a % of total royalty proposed to be paid</i>
	c. For professional fee, corporate management fee or any other fee	<i>As a % of total royalty proposed to be paid</i>
	d. Any other use (specify)	<i>As a % of total royalty proposed to be paid</i>
2.	(a) The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies in other jurisdiction.	Yes or No?
	(b) If No, furnish information below.  If royalty is paid to the parent company, disclose royalty received by the parent company from group entities in other jurisdiction:  <ul style="list-style-type: none"> <li>Minimum rate of royalty charged along with corresponding absolute amount</li> <li>Maximum rate of royalty charged along with corresponding absolute amount</li> </ul> <i>Note: The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty.</i>	%
3.	Sunset Clause for Royalty payment, if any.	

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## **PART C**

**Information to be provided only if a specific type of RPT mentioned below proposed to be undertaken is a *material RPT* and is in addition to Part A and B**

**Note:** *This part requires disclosure under sub-para C1 to C6, as may be applicable, in addition to disclosures in Part A and Part B, only in case of material RPTs relating to:*

- C(1): Transactions relating to any loans and advances (other than trade advance) or inter-corporate deposits given by the listed entity or its subsidiary.
- C(2): Investment made by the listed entity or its subsidiary.
- C(3): Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary.
- C(4): Borrowings by the listed entity or its subsidiary.
- C(5): Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate.
- C(6): Transactions relating to payment of royalty.

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**C(1).**

**Disclosure *only* in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary**

S. No.	Particulars of the information	Information provided by the management
1.	<p>Latest credit rating of the related party</p> <p><i>Note: Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any</i></p>	
2.	<p>Default on borrowings, <b><i>if any</i></b>, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.</p> <p><i>Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i></p> <p><b>In addition, state the following:</b></p> <ol style="list-style-type: none"> <li>Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;</li> <li>Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting;</li> <li>Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;</li> <li>Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.</li> </ol> <p><i>Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.</i></p>	
	FY 20xx-20xx	
	FY 20xx-20xx	
	FY 20xx-20xx	

**C(2).**

**Disclosure *only* in case of transactions relating to any investment made by the listed entity or its subsidiary**

S. No.	Particulars of the information	Information provided by the management
1.	<p>Latest credit rating of the related party</p> <p><i>Note:</i></p> <p>a. <i>Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i></p> <p>b. <i>This shall be applicable in case of investment in debt securities.</i></p>	
2.	Whether any regulatory approval is required. If yes, whether the same has been obtained.	

### **C(3).**

**Disclosure *only* in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary**

S. No.	Particulars of the information	Information provided by the management
1.	<p>If guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter is given in connection with the borrowing by a related party, provide latest credit rating of the related party</p> <p><i>Note:</i></p> <p>a. <i>Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i></p> <p>b. <i>This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i></p>	
2.	<p>Details of solvency status and going concern status of the related party during the last three financial years:</p> <p><i>FY 20xx-20xx</i></p> <p><i>FY 20xx-20xx</i></p> <p><i>FY 20xx-20xx</i></p>	
3.	<p>The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee)-surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.</p>	
4.	<p>Default on borrowings, <i>if any</i>, over the last three financial years, by the related party from the listed entity or any other person.</p> <p><i>Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i></p>	



	<p><b>In addition, state the following:</b></p> <p>a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;</p> <p>b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting;</p> <p>c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;</p> <p>d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.</p> <p><i>Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.</i></p>	
	FY 20xx-20xx	
	FY 20xx-20xx	
	FY 20xx-20xx	

**C(4).**

**Disclosure *only* in case of transactions relating to borrowings by the listed entity or its subsidiary**

S. No.	Particulars of the information	Information provided by the management
1.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements  <i>Note: This shall not be applicable to listed banks/NBFC/insurance companies/housing finance companies.</i>	
	a. Before transaction	
	b. After transaction	
2.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements  <i>Note: This shall not be applicable to listed banks/NBFC/insurance companies/ housing finance companies.</i>	
	a. Before transaction	
	b. After transaction	

**C(5).**

**Disclosure *only* in case of transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate**

S. No.	Particulars of the information	Information provided by the management
1.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months.	
2.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.	
3.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	
4.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?	
5.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	

**C(6).**

**Disclosure *only* in case of transactions relating to payment of royalty**

S. No.	Particulars of the information	Information provided by the management
<b>1.</b>	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three financial years	
	<i>FY 20xx-20xx</i>	<i>Amount of royalty</i>
	<i>FY 20xx-20xx</i>	<i>Amount of royalty</i>
	<i>FY 20xx-20xx</i>	<i>Amount of royalty</i>
<b>2.</b>	Purpose for which royalty was paid to the related party during the last three financial years.  <i>Explanation: For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology and know-how, state the key components of such agreements and the reasons royalty attributable to those key components could not be furnished separately.</i>	
	a. For use of brand name / trademark	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	b. For transfer of technology know-how	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	c. For professional fee, corporate management fee or any other fee	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	d. Any other use (specify)	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
<b>3.</b>	Royalty paid in last 3 FYs as % of Net Profits of previous FYs	
	<i>FY 20xx-20xx</i>	<i>%</i>
	<i>FY 20xx-20xx</i>	<i>%</i>
	<i>FY 20xx-20xx</i>	<i>%</i>
<b>4.</b>	Percentage or Rate at which royalty has increased in the past 3 years, if any, vis-à-vis rate at which the turnover and profits after tax have increased during the same period.	<i>%</i>

5.

**Peer Comparison:**

Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any relevant Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:

	Listed Entity / Subsidiary	Peer 1	Peer 2	Peer 3
<b>Royalty payment over last 3 years</b>	<i>Aggregate amount</i>	<i>Aggregate amount</i>	<i>Aggregate amount</i>	<i>Aggregate amount</i>
<b>Royalty paid as a % of net profits over the last 3 years</b>	%	%	%	%
<b>Annual growth rate of Turnover over last 3 years</b>	%	%	%	%

**Explanation:** In the case of the payment of, the criteria for comparison with Industry Peers shall be as follows:

a.

The Listed Entity will compare the royalty payment with a minimum of three suitable and relevant Industry Peers (i.e. apple to apple comparable Industry Peers), where feasible.

b.

In cases where fewer than three Industry Peers are available, the listed entity will disclose, that only one or two peers are available for comparison.

c.

If the listed entity is part of any sectoral index, the listed entity is to consider the other constituents of such sectoral index for the purpose of peer comparison which are in similar line of business.

d.

In case there are no Industry Peers, the Listed Entity shall state that no Industry Peers are available for comparison.

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## **5. Minimum Information to be provided to the shareholders for approval of Material RPTs:**

- (1) The explanatory statement contained in the notice to the shareholders for seeking their approval for an RPT shall provide the minimum information so as to enable the shareholders to take a view whether the terms and conditions of the RPT are favorable to the listed entity.
- (2) The notice to the shareholders seeking approval for any material RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:
  - (a) Information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable.
  - (b) Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT.
  - (c) Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/ Managing Director/ Whole Time Director/ Manager and CFO of the Listed Entity as required under the RPT Industry Standards.
  - (d) Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval.
  - (e) Provide web-link and QR Code, through which shareholders can access the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT.
  - (f) The Audit Committee and Board of Directors, while providing information to the shareholders, can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity and affirm that, in its assessment, the redacted disclosures still provides all the necessary information to the public shareholders for informed decision-making.
  - (g) Any other information that may be relevant.

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