

MACH TRAVEL SOLUTIONS LIMITED
(Formerly known as Mach Conferences and Events Limited)

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

This Policy was approved by the Board of Directors at its meeting held on June 21, 2024 and modified on August 12, 2026.

1. INTRODUCTION

The Board of Directors (“the Board”) of **Mach Travel Solutions Limited** (formerly known as Mach Conferences and Events Limited) (“**MACHLTD**” or “the Company”) has amended the “**Policy on materiality of and dealing with Related Party Transactions**” regarding the review and approval of Related Party Transactions and to set forth the guidelines on materiality of such Related Party Transactions.

This policy is framed & amended in compliance with the provisions of **Regulation 23** and other applicable provisions, if any, of **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** (“the Listing Regulations”) and **Section 188** and other applicable provisions, if any, of the **Companies Act, 2013** (“the Act”) and the **Companies (Meetings of Board and its Powers) Rules, 2014**, as amended from time to time, and other applicable provisions, if any; collectively referred to as the Applicable Regulatory Provisions.

2. OBJECTIVE

This Policy aims to ensure compliance of the applicable provisions of the Companies Act, 2013 & Rules made there under (“the Act”) and the **SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015** as amended or re-enacted from time to time (“Listing Regulations”) and which relate to the identification of the Related Parties and governance & approval of the Related Party Transactions, wherever required.

All Related Party Transactions shall be entered into by the Company in accordance with this Policy or in accordance with the applicable provisions.

3. DEFINITIONS

Unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

i) **Arm’s Length Transaction** means

- a transaction between the Company and the Related Party that is conducted as if they were unrelated, so that there is no conflict of interest and
- Such price charged for the transactions to a Related Party has in no case been influenced by the relationship and meets the criteria prescribed in Transfer Pricing Guidelines prescribed under the Income- tax Act, 1961.

ii) **Audit Committee** means an Audit Committee constituted by the Board of Directors of the Company as per Section 177 of the Companies Act, 2013 or rules made thereunder, from time to time.

iii) **Board of Directors or Board** means the Board of Directors of the Company.

iv) **Company** means “**Mach Travel Solutions Limited**” or “**MACHLTD**”

v) **Material Modification**

Material Modification shall mean any modification which exceeds 20% of the approved limit of the Related Party Transactions after taking into consideration the revised proposal relating thereto.

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Regulations, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or any other applicable law or regulation.

vi) **Material Related Party Transaction**

Material Related Party Transaction shall have the meaning as defined in the Applicable Regulatory Provisions.

As per the explanation to Regulation 23(1) of the Listing Regulations, in case of a listed entity which has listed its specified securities on the SME Exchange, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees fifty crore or ten per cent of the annual consolidated turnover of the listed entity as per the last

audited financial statements of the listed entity, whichever is lower.

Further, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

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

viii) Related Party shall mean:

Related Party as defined under sub-section (76) of section 2 of the Companies Act, 2013 means;

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

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

(viii) anybody corporate which is—

- a) a holding, subsidiary, or an associate company of such company; or
- b) a subsidiary of a holding company to which it is also a subsidiary;
- c) an investing company or the venture of the company;

Explanation: - For the purpose of this clause, “the investing company or the venture 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.

(ix) Such other person as may be prescribed.

Related Party as defined under the applicable Accounting Standards;

Related Party as defined under Regulation 2(zb) of the Listing Regulations;

Provided that:

- a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- b) any person or any entity, holding equity shares of ten per cent or more in the listed entity either directly or on a beneficial interest basis as provided under Section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year; shall be deemed to be a related party.”

ix) Related Party Transaction”

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

- (i) MACHLTD or any of its subsidiaries on one hand and a related party of MACHLTD or any of its subsidiaries on the other hand; or

(ii) MACHLTD 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 MACHLTD or any of its subsidiaries; regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract:

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

- (a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. subdivision or consolidation of securities;
 - iii. issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities;
- (c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board;
- (d) acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:

Explanation: For the purpose of clauses (c) and (d) above, acceptance of deposits includes payment of interest thereon.

(e) retail purchases from MACHLTD or its subsidiary by 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:

and include:

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

x) **Material Related Party Transaction** shall have the meaning as defined in the Applicable Regulatory Provisions.

Without prejudice to the foregoing, at present, as per the explanation to Regulation 23(1) of the Listing Regulations, this term means a transaction with a related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds the following:

Consolidated Turnover of Listed Entity	Threshold
(I) Up to Rs. 20,000 Crore	10% of annual consolidated turnover of the MACHLTD
(II) Rs. 20,001– Rs. 40,000 crores	Rs. 2, 000 crore + 5% of annual consolidated turnover of MACHLTD above Rs. 20,000 crores
(III) Above Rs.40, 000 crore	Rs. 3,000 crores + 2.5% of turnover above Rs. 40,000 crore or Rs. 5,000 crores (whichever lower)

4. IDENTIFICATION OF RELATED PARTIES

The Company shall seek required disclosures or information from Directors and/or Key Managerial Personnel to identify a related party, in such form or manner as per the Act/ applicable laws, as amended from time to time.

5. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

The Company may enter into any related party transactions and subsequent material modifications thereof with the prior approval of the Audit Committee and only those members of the Audit Committee, who are Independent Directors, shall approve related party transactions.

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

However, prior approval of the shareholders of MACHLTD shall not be required for a related party transaction to which the listed subsidiary is a party but the MACHLTD is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary. ***For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.***

Provided also that remuneration and sitting fees paid by MACHLTD or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.

A related party transaction above rupees 1 crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of MACHLTD is a party but MACHLTD is not a party, shall require prior approval of the audit committee of MACHLTD, if the value of such transaction, exceeds the lower of the following:

- (i) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- (ii) the threshold for material related party transactions of MACHLTD as specified in definition of **Material Related Party Transaction** of this Policy.

If the Transaction(s) with a related party, where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, will require the approval of Audit Committee if exceed lower of the following:

- (a) 2% of turnover, as per the last audited consolidated financial statements of the listed entity;
- (b) 2% of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
- (c) 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity.

If the Transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year exceeding Rs. 1 crore will require the approval of Audit Committee

[sub-regulations (2) of Regulation 23]

Provided further that, a related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, **exceeds ten (10) percent** of the annual standalone turnover, as per the last audited financial statements of the subsidiary.

Provided further that prior approval of the audit committee of the listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if Regulation 23 and sub-regulation (2) of Regulation 15 of the Listing Regulations are applicable to such listed subsidiary. ***For related party***

transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the audit committee of the listed subsidiary shall suffice.

Provided also that remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.

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:

- 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;
- the transaction is not material in terms of the provisions of sub-regulation (1) of this regulation;
- rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
- the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of this regulation;
- any other condition as specified by the audit committee:

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

6. OMNIBUS APPROVAL

All related party transactions shall require approval of the Audit Committee and the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to the following conditions, namely

(1) The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall include the following, namely: -

- (a) Maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
- (b) the maximum value per transaction which can be allowed;
- (c) Extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
- (d) Review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made;
- (e) Transactions which cannot be subject to the omnibus approval by the Audit Committee.

(2) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely: -

- (a) repetitiveness of the transactions (in past or in future);
- (b) justification for the need of omnibus approval.

(3) The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the company.

(4) The omnibus approval shall contain or indicate the following: -

- (a) name of the related parties;
- (b) nature and duration of the transaction;
- (c) maximum amount of transaction that can be entered into;
- (d) the indicative base price or current contracted price and the formula for variation in the price, if any; and
- (e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction:

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not

available, audit committee may make omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

(5) Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.

(6) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

(7) Any other conditions as the Audit Committee may deem fit.

EXCEPTIONS

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

- transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- 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.
- 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.

7. MATERIALITY THRESHOLDS

Regulation 23 of the SEBI Listing Regulations requires a Company to provide materiality thresholds for transactions beyond which approval of the shareholders through resolution will be required. None of the Related Parties of a Company shall vote to approve on such resolution irrespective of whether the entity is a Related Party to the particular transaction or not.

However, the requirements specified above shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

The Company has fixed the following materiality threshold for the purpose of Regulation 23(1), 23(1A), 23(2) and 23(4) of the SEBI Listing Regulations. The Board of Directors in their meeting held on August 12, 2026, have approved the threshold limits and approval required as provided in Annexure-A of this Policy for determining the materiality.

8. CONTRACTS OR ARRANGEMENTS NOT IN THE ORDINARY COURSE OF BUSINESS OR AT ARM'S LENGTH BASIS

Contracts or arrangements approved which are not in the ordinary course of business or at arm's length shall be disclosed in the Board's Report along with justification for entering into such contract or arrangement.

In the event such contract or arrangement is not in the ordinary course of business or at arm's length, the company shall comply with the provisions of the Act and the Rules framed thereunder and obtain approval of the Board or its shareholders, as applicable, for such contract or arrangement.

9. DISCLOSURE

Regulation 23(9) of the LODR Regulations inter-alia requires listed entities to disclose Related Party Transactions (RPTs), on a half-yearly basis, in the format specified by the Board and within the timelines specified in the regulations. **(Annexure-B)**

Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party

Transactions” (Annexure-C)

Disclosures as appropriate concerning the related party transactions and/or Material Related Party Transactions shall be made in the Annual Report of the Company including its Financial Statements and also to the Stock Exchanges where equity shares of the Company are listed and to such other authority as may be prescribed.

The Company shall disclose details of contracts or arrangements or transactions not at arm’s length basis in its Directors Report and material contracts or arrangement or transactions at arm’s length basis in its Corporate Governance Report (*if applicable*).

The Company shall disclose the Policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.

The Company shall disclose details of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount, by the listed entity and its subsidiaries, in their Annual Report.

Further, the Company shall submit every six months on the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format as specified by the Board from time to time to the stock exchanges where the specified securities (as defined in the Listing Regulations) of the Company are listed and publish the same on its website.

Provided that the 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 disclosure under this sub-regulation provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.

10. VIOLATION

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.

11. REVIEW AND AMENDMENT

- The Audit Committee periodically shall review this Policy and may recommend amendments to this Policy from time to time as it deems appropriate.
- This Policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly.
- Dealing with Related Party Transactions shall be in accordance with the Companies Act, 2013 & Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable Accounting Standards and other applicable provisions for the time being in force.
- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-A

All Related Party Transactions will be subject to following approval matrix, as may be applicable:

Provisions	Approval Required		
	Audit Committee	Board of Directors	Shareholders (Ordinary Resolution)
Transactions in ordinary course of business and on annual arm's length basis up to Rs 50 crores or 10% of annual consolidated turnover of the Company, whichever is lower	√		
Transactions in ordinary course of business and on annual arm's length basis in excess of Rs 50 crores or 10% of annual consolidated turnover of the Company, whichever is lower	√	√	√
Payments made to a Related Party with respect to brand usage or royalty up to 5% of annual consolidated turnover of the Company	√		
Payments made to a Related Party with respect to brand usage or royalty in excess of 5% of annual consolidated turnover of the Company	√	√	√
Related party transaction to which the subsidiary of the Company is a party but the Company is not a party, and the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary and it does not cross the materiality criteria	√		
Related party transaction to which the subsidiary of the Company is a party but the Company is not a party, and the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary and it crosses the materiality criteria	√	√	√
Transactions either not in the ordinary course of business or arm's length basis			
Sale, purchase or supply of any goods or materials, directly or through appointment of agent.	√	√	√ *Exceeding 10% of annual turnover or
Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent.	√	√	√ *Exceeding 10% of net worth

Leasing of property of any kind.	√	√	√ *Exceeding 10% of turnover
Availing or rendering of any services, directly or through appointment of agent	√	√	√ *Exceeding 10% of annual turnover
Appointment to any office or place of profit in the company, its subsidiary company or associate company	√	√	√ *Remuneration exceeds Rs. 250,000 per month
Underwriting the subscription of any securities of the company or derivatives thereof	√	√	√ *Remuneration exceeds 1% of net worth
* Note: In case of shareholders' approval for such transactions, related parties that are parties to the contract shall abstain from voting.			

FORMAT FOR DISCLOSURE OF RELATED PARTY TRANSACTIONS

											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction (see Note 5)	Value of the related party transaction as approved by the audit committee (see Note 6a)	Value of transaction during the reporting period (see Note 6b)	In case monies are due to either party as a result of the transaction (see Note 1)		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost(see Note 7)	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
Total (of Note 6b)																		

Notes:

1. The details in this format are required to be provided for all transactions undertaken during the reporting period. However, opening and closing balances, including commitments, to be disclosed for existing related party transactions even if there is no new related party transaction during the reporting period.
2. Where a transaction is undertaken between members of the consolidated entity (between the listed entity and its subsidiary or between subsidiaries), it may be reported once.
3. Listed banks shall not be required to provide the disclosures with respect to related party transactions involving loans, inter-corporate deposits, advances or investments made or given by the listed banks.
4. For companies with financial year ending March 31, this information has to be provided for six months ended September 30 and six months ended March 31. Companies with financial years ending in other months, the six months' period shall apply accordingly.
5. Each type of related party transaction (for e.g. sale of goods/services, purchase of goods/services or whether it involves a loan, inter-corporate deposit, advance or investment) with a single party shall be disclosed separately and there should be no clubbing or netting of transactions of same type. However, transactions with the same counterparty of the same type may be aggregated for the reporting period. For instance, sale transactions with the same party may be aggregated for the reporting period and purchase transactions may also be disclosed in a similar manner. There should be no netting off for sale and purchase transactions. Similarly, loans advanced to and received from the same counterparty should be disclosed separately, without any netting off.
6. In case of a multi-year related party transaction:
 - a. The aggregate value of such related party transaction as approved by the audit committee shall be disclosed in the column "Value of the related party transaction as approved by the audit committee".
 - b. The value of the related party transaction undertaken in the reporting period shall be reported in the column "Value of related party transaction during the reporting period".
7. "Cost" refers to the cost of borrowed funds for the listed entity
8. PAN will not be displayed on the website of the Stock Exchange(s).
9. Transactions such as acceptance of fixed deposits by banks/NBFCs, undertaken with related parties, at the terms uniformly applicable /offered to all shareholders/public shall also be reported.

**MINIMUM INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE AND SHAREHOLDERS
FOR APPROVAL OF RELATED PARTY TRANSACTIONS”**

1) 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.

2) 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

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	
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A (2): Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: • Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. • 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). • Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	

A (3): Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	
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.	Financial performance of the related party for the immediately preceding financial year: <table><tr><th>Particulars</th><th><i>FY 20xx-20xx</i> <i>(INR)</i></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>	Particulars	<i>FY 20xx-20xx</i> <i>(INR)</i>	Turnover		Profit After Tax		Net worth		
Particulars	<i>FY 20xx-20xx</i> <i>(INR)</i>									
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	

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 associate¹.

B (7): Transactions relating to payment of royalty

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
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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> <i>(1) This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.</i> <i>(2) 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 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:	
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.	

	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. (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: % • Minimum rate of royalty charged along with corresponding absolute amount • Maximum rate of royalty charged along with corresponding absolute amount	Yes, or No?
3.	Sunset Clause for Royalty payment, if any.	

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.

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.	Latest credit rating of the related party	
2.	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 and value of subsisting default. In addition, state the following: 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; b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; 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.	
	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.	Latest credit rating of the related party <i>Note:</i> 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> b. <i>This shall be applicable in case of investment in debt securities.</i>	
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.	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 <i>Note:</i> <i>Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i> <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>	
2.	Details of solvency status and going concern status of the related party during the last three financial years: <i>FY 20xx-20xx</i> <i>FY 20xx-20xx</i> <i>FY 20xx-20xx</i>	
3.	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.	
4.	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. <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> In addition, state the following: - 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; - Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; - Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; - 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. <i>Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.</i> <i>FY 20xx-20xx</i> <i>FY 20xx-20xx</i> <i>FY 20xx-20xx</i>	

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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
1.	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>
2.	Purpose for which royalty was paid to the related party during the last three financial years.	
	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>
3.	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>
4.	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
	Royalty payment over last 3 years	Aggregate amount	Aggregate amount	Aggregate amount	Aggregate amount
	Royalty paid as a % of net profits over the last 3 years	%	%	%	%
	Annual growth rate of Turnover over last 3 years	%	%	%	%
<i>Explanation: In the case of the payment of, the criteria for comparison with Industry Peers shall be as follows:</i> <i>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.</i> <i>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.</i> <i>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.</i> <i>In case there are no Industry Peers, the Listed Entity shall state that no Industry Peers are available for comparison.</i>					

3) 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.
