

**POLICY ON**  
**RELATED PARTY TRANSACTIONS**  
**(w.e.f. 1<sup>st</sup> April, 2025)**

## RELATED PARTY TRANSACTIONS

### 1. INTRODUCTION

Jyoti Limited (the 'Company') recognizes that certain relationships of the Company can present potential or actual conflicts of interest and may raise questions about whether transactions associated with such relationships are consistent with the Company's and its stakeholders' best interests. This Policy is framed to ensure due and proper compliance with the applicable statutory provisions and to fortify that proper procedure is defined and followed for approval / ratification and reporting of transactions, if any, as applicable, between the Company and any of its Related Parties. The provisions of this Policy are designed to govern the transparency of approval process and disclosures requirements to accord fairness in the treatment of related party transactions.

The Audit Committee and the Board of Directors of Jyoti Limited to set forth the procedures by which transactions with Related Parties shall be reviewed for approval. The Policy is intended to ensure proper approval, disclosure and reporting of transactions between Jyoti Limited and its Related Parties. Any Related Party Transaction may be entered into by the Company in accordance with the provisions of this Policy.

### 2. APPLICABILITY

This policy is framed as per the requirements of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any modification(s) / amendment(s) / re-enactment(s) thereof] ("**Listing Regulations**" or "**SEBI LODR**") and in terms of Section 188 of the Companies Act, 2013 ("**the Act**") read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 and is intended to ensure proper approval, disclosure and reporting requirements of transactions between the Company and its Related Parties.

### 3. DEFINITIONS

"**Act**" shall mean the Companies Act, 2013 and the rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactment thereof.

"**Arm's Length Basis**" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. For determination of Arms Lengths Basis, guidance may be taken from provisions of Transfer Pricing under Income Tax Act, 1961.

"**Associate Company**" means any other company, in which the Company has a significant influence but which is not a Subsidiary Company of the Company having such influence and includes a Joint Venture Company.

*Explanation - (a) the expression "significant influence" means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement;*

*(b) the expression "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.*

**"Audit Committee or Committee"** means a Committee of Board of Directors of the Company constituted under provisions of Section 177 of Act and as per Regulation 18 of the Listing Regulations.

**"Board of Directors or Board"** means the Board of Directors of the Company.

**"Company"** means Jyoti Limited.

**"Control"** shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

**"Key Managerial Personnel"** means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.

**"Material Modifications in Related Party"** in relation to any transaction shall mean modification of such transaction resulting in change of more than 20% of the total monetary value of such transaction as last approved.

**"Policy"** means Related Party Transaction Policy of the Company.

**"Related Party"** means person or an entity:

- I. which is a related party under section 2(76) of the Companies Act, 2013 or
- II. which is a related party under the applicable accounting standards
- III. which is a related party under SEBI (LODR) Regulations:
  - a) Any person or entity forming a part of the promoter or promoter group of the listed entity; or
  - b) Any person or any entity, holding equity shares:
    - I. Of 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 immediate preceding financial year.

Related Party under section 2(76) of the Companies Act, 2013 and the Rules made there under are as follows:

- I. a director or his relative;
- II. a key managerial personnel or his relative;
- III. a firm, in which a director, manager or his relative is a partner;
- IV. a private company in which a director or manager, is a member or director
- V. a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;
- VI. any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- VII. any person on whose advice, directions or instructions a director or manager is

accustomed to act;

Provided that nothing in (VI) and (VII) above shall apply to the advice, directions or instructions given in a professional capacity;

VIII. any company 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 a venture of the Company;

IX. a director other than an independent director or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.

X. such other persons as may be prescribed.

**“Related Party Transaction”** means transactions involving transfer of resources, service or obligations between:

- i) Company on one hand and a related party of the Company or any of its subsidiaries on the other hand; or
- (ii) Company 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 Company 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 SEBI (ICDR) Regulations, 2018;*

*(b) the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:*

- i. payment of dividend;*
- ii. sub-division 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.”*

**“Relatives”**

I. As per Companies Act, 2013

Relative, with reference to any person, means anyone who is related to another. if—

- I. they are members of a Hindu Undivided Family;

- II. they are husband and wife; or
- III. one person is related to the other person as -
  - a) Father (including step-father)
  - b) Mother (including step- mother)
  - c) Son including step-son)
  - d) Son's wife
  - e) Daughter
  - f) Daughter's husband
  - g) Brother (including step-brother)
  - h) Sister (including step- sister)

**“Transactions in ordinary course of business”** means transactions or contracts or arrangements or activities that are connected to or necessary for the business of the Company and satisfy the following principles:

- (i) permitted under the Memorandum and the Articles of Association of the Company;
- (ii) carried on a frequent or regular basis or are usual in nature or are as per the customs or industry practice; and
- (iii) the terms of which are similar to those which would be otherwise applicable to transactions with unrelated parties.

Any other terms and expressions used but not defined herein, shall have the same meaning as defined in the Act, the Listing Regulations and / or the rules and regulations made thereunder.

#### **4. POLICY**

All Related Party Transactions must have prior approval of the Audit Committee in accordance with this Policy. All material Related Party Transactions should be approved by the shareholders of the Company.

- 5.1. Identification of potential Related Party Transactions of Jyoti Group Companies:
- (i) All the companies in Jyoti Group will be considered as Related Parties.
  - (ii) Key Managerial Personnel and connected Related Parties.

Each Director and Key Managerial Personnel shall disclose the details of related parties to the Company Secretary of the Company. The Board shall record the disclosure of interest. The Company will identify the potential transactions with the Related Parties, from time to time.

#### 5.2. Review and approval of Related Party Transactions

##### **Audit Committee:**

Every Related Party Transaction shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolutions by circulation. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into with the Company which are repetitive in nature and are in the ordinary course of business and on at Arm's Length basis, subject to compliance of the conditions contained in Rule 6A of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 23 of Listing Regulations. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

Members of the audit committee, who are independent directors, shall only approve related party transactions.

To review a Related Party Transaction, the Committee shall be provided with the necessary information, to the extent relevant, with respect to actual or potential Related Party Transactions and/or prescribed under the Companies Act, 2013 and Rules thereunder, and the Listing Regulations with the Stock Exchanges.

**Board:**

If the Committee requires that a Related Party Transaction should be brought before the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances, provided that only Independent Directors shall vote to approve such transaction.

**Shareholders:**

All Material Related Party Transactions and subsequent Material Modifications 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.

Further, all related party transactions which are not in the ordinary course of business or not at the arm's length price and are exceeding threshold limits prescribed in the Act shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and all entities falling under the definition of Related Parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.

**5. MATERIAL RELATED PARTY TRANSACTIONS**

A transaction with a Related Party shall be considered material if:

Category of Transactions	Materiality Thresholds under the Act	Materiality Thresholds under the Listing Regulations
Sale, purchase or supply of any goods or materials	10% or more of turnover of the Company	If the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees 1,000 Crore or 10 % of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.
Selling or otherwise disposing of, or buying, property of any kind	10% or more of net worth of the Company	
Leasing of property of any kind	10% or more of turnover of the Company	
Availing or rendering of any services	10% or more of turnover of the Company	
Related Party's appointment to any office or place of profit in	At a monthly remuneration exceeding Rs.2.5 Lakh	

the company, its subsidiary company or associate company		
Underwriting the subscription of any securities or derivatives thereof, of the company	1% of net worth	
a transaction involving payments made to a related party with respect to brand usage or royalty	5% of the annual consolidated turnover of the listed entity as per the last audited financial statements	
Any other transaction with a Related Party	If the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees 1,000 Crore or 10 % of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.	

## 6. Minimum information to be provided

The Securities and Exchange Board of India (SEBI), vide its circular dated 14<sup>th</sup> February, 2025 has introduced Industry Standards on “**Minimum information to be provided for review of the Audit Committee and Shareholders for approval of a related party transaction**”

Vide the above circular, the SEBI has prescribed the following:

- a. The listed entity shall provide the Audit Committee with the information as specified in the Industry Standards on “Minimum information to be provided for review of the Audit Committee and Shareholders for approval of a related party transaction”, while placing any proposal for review and approval of an RPT.
- b. The notice being sent to the Shareholders seeking approval for any RPT shall, in addition to the requirements under the Companies Act, 2013, include the information as part of the explanatory statement as specified in the Industry Standards on “Minimum information to be provided for review of the Audit Committee and Shareholders for approval of a related party transaction.

The Industry Standards are prescribed by Industry Standard forum (ISF) comprising of representatives from three industry associations ASSOCHAM, FICCI, and CII under the aegis of the Stock exchanges.

The Industry Standards on “**Minimum information to be provided for review of the Audit Committee and Shareholders for approval of a related party transaction**” are attached and forming part of this policy.

The Standards shall be effective from 1.7.2025 or any other date notified by the Securities and Exchange Board of India (SEBI).

## **7. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

In the event the Company becomes aware of a Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction and subsequent material modification, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee may examine the facts and circumstances of the case and take any such action it deems appropriate.

## **8. DISCLOSURES**

- Every Related Party Transaction with proper justification shall be disclosed in the Directors Report;
- The Company Shall submit simultaneously with the declaration of financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website;
- The Company shall disclose policy on dealing with Related Party Transactions on its website and provide its web-link/website in the Annual Report.

## **9. GENERAL PRINCIPLES**

- It shall be the responsibility of the Board to monitor and manage potential conflicts of interest of management, board members and shareholders in Related Party Transactions.
- The Independent Directors of the Company shall pay sufficient attention and ensure that adequate deliberations are held before approving Related Party Transactions and assure themselves that the same are in the interest of the Company.
- The Audit Committee shall have the following powers with respect to Related Party Transactions:
  - To seek information from any employee.
  - To obtain outside legal or other professional advice.
  - To secure attendance of outsiders with relevant expertise, if it considers necessary
  - To investigate any related Party Transaction.
- The Company Secretary of the Company is authorised to issue necessary guidelines / instructions for implementation of this Policy.

## **10. AMENDMENTS IN LAW**

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc. A note in relation to such changes shall be placed in subsequent meeting of the Board and the Audit Committee.

**4. Format for Minimum Information to be provided for review of the Audit Committee for Approval (including ratification) of RPTs:**

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
<b><u>A. Details of the related party and transactions with the related party</u></b>			
<b>A(1). Basic details of the related party</b>			
1.	Name of the related party		
2.	Country of incorporation of the related party		
3.	Nature of business of the related party		
<b>A(2). Relationship and ownership of the related party</b>			
4.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party.		
5.	Shareholding or contribution % or profit & loss sharing % of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.  <i>Explanation:</i> Indirect shareholding shall mean shareholding held through any person, over which the listed entity or subsidiary has control.	<i>% Shareholding</i> <i>% Contribution</i> <i>% P&amp;L Sharing</i>	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
6.	<p>Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary (in case of transaction involving the subsidiary).</p> <p><i>Explanation:</i> Indirect shareholding shall mean shareholding held through any person, over which the related party has control. While calculating indirect shareholding, shareholding held by relatives shall also be considered.</p>	% Shareholding	
<b>A(3). Financial performance of the related party</b>			
7.	Standalone turnover of the related party for each of the last three financial years:		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
8.	Standalone net worth of the related party for each of the last three financial years:		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
9.	Standalone net profits of the related party for each of the last three financial years:		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee																		
	<i>FY 20xx-20xx</i>																				
<b>A(4). Details of previous transactions with the related party</b>																					
10.	<p>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three financial years.</p> <p><b>Note:</b> Details need to be disclosed separately for listed entity and its subsidiary.</p>																				
<p><i>FY 20xx-20xx</i></p> <table border="1" data-bbox="280 989 1057 1182"> <thead> <tr> <th>S. No.</th> <th>Nature of Transactions</th> <th>Amount (in INR)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p><i>FY 20xx-20xx</i></p> <table border="1" data-bbox="280 1255 1057 1449"> <thead> <tr> <th>S. No.</th> <th>Nature of Transactions</th> <th>Amount (in INR)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p><i>FY 20xx-20xx</i></p> <table border="1" data-bbox="280 1522 1057 1715"> <thead> <tr> <th>S. No.</th> <th>Nature of Transactions</th> <th>Amount (in INR)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>				S. No.	Nature of Transactions	Amount (in INR)				S. No.	Nature of Transactions	Amount (in INR)				S. No.	Nature of Transactions	Amount (in INR)			
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S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
11.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year (till the date of approval of the Audit Committee / shareholders).		
12.	Whether prior approval of Audit Committee has been taken for the above mentioned transactions?		
13.	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 three financial years.		
<b>A(5). Amount of the proposed transactions</b> <i>(All types of transactions taken together)</i>			
14.	Total amount of all the proposed transactions being placed for approval in the current meeting.		
15.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?		
16.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	%	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
17.	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)	%	
18.	Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding financial year.	%	
<b><u>B. Details for specific transactions</u></b>			
<b>B(1). <u>Basic details</u> of the proposed transaction</b>			
<i>(In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction – for example, (i) sale of goods and purchase of goods to be treated as separate transactions; (ii) sale of goods and sale of services to be treated as separate transactions; (iii) giving of loans and giving of guarantee to be treated as separate transactions)</i>			
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)		
2.	Details of the proposed transaction		
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)		
4.	Indicative date / timeline for undertaking the transaction		
5.	Whether omnibus approval is being sought?		

<b>S. No.</b>	<b>Particulars of the information</b>	<b>Information provided by the management</b>	<b>Comments of the Audit Committee</b>
6.	<p>Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract.</p> <p>If omnibus approval is being sought, the maximum value of a single transaction during a financial year.</p>		
7.	<p>Whether the RPTs proposed to be entered into are:</p> <p>(i) not prejudicial to the interest of public shareholders, and</p> <p>(ii) going to be carried out on the same terms and conditions as would be applicable to any party who is not a related party</p>	<p>Certificate from the CEO or CFO or any other KMP of the listed entity and also from promoter directors of the listed entity (as referred in Para 3(2)(b) of these Standards)</p>	
8.	<p>Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders.</p>		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
9.	<p>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.</p> <p>The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%.</p> <p><i>Explanation:</i> Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives.</p>		
	a. Name of the director / KMP		
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	<i>% Shareholding</i>	
10.	<p>Details of shareholding (more than 2%) of the director(s) / key managerial personnel/ partner(s) of the related party, directly or indirectly, in the listed entity.</p> <p><i>Explanation:</i> Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives.</p>		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
	a. Name of the director / KMP/ partner		
	b. Shareholding of the director / KMP/ partner, whether direct or indirect, in the listed entity	<i>% Shareholding</i>	
11.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.		<i>If any such report has been considered, it shall also be stated whether the Audit Committee has reviewed the basis for valuation contained in the report and found it to be satisfactory based on their independent evaluation.</i>
12.	Other information relevant for decision making.		
<b>B(2). <u>Additional details</u> for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction</b>			
13.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.		<i>If the number is less than 3, Audit Committee to comment upon whether the number of bids / quotations received are sufficient</i>
14.	Best bid / quotation received.  If comparable bids are available, disclose the price and terms offered.		<i>Audit committee to provide justification for rejecting the best bid /quotation and for selecting the related party for the transaction</i>

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
15.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.		<i>Audit committee to justify the additional cost to the listed entity or the subsidiary</i>
16.	Where bids were not invited, the fact shall be disclosed along with the justification for the same.		
17.	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.		
<b>B(3). <u>Additional details</u> for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary</b>			
18.	Source of funds in connection with the proposed transaction.  <i>Explanation:</i> This shall not be applicable to listed banks/ NBFCs.		
19.	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance, specify the following:  <i>Explanation:</i> This shall not be applicable to listed banks/ NBFCs.		
	a. Nature of indebtedness		
	b. Total cost of borrowing		
	c. Tenure		
	d. Other details		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
20.	Material covenants of the proposed transaction		
21.	<p>Interest rate charged on loans / inter-corporate deposits / advances by the listed entity (or its subsidiary, in case of transaction involving the subsidiary) in the last three financial years:</p> <ul style="list-style-type: none"> <li>• To any party (other than related party):</li> <li>• To related party.</li> </ul> <p><i>Explanations: Comparable rates shall be provided for similar nature of transaction, for e.g., long term vis-a-vis long term etc.</i></p>		<p><i>If the interest rate charged to the related party is less than the average rate charged, then Audit Committee to provide justification for the low interest rate charged.</i></p>
22.	Rate of interest at which the related party is borrowing from its bankers or the rate at which the related party may be able to borrow given its credit rating or credit score and its standing and financial position		
23.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers or the rate at which the listed entity may be able to borrow given its credit rating or credit score and its standing and financial position		
24.	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
25.	Maturity / due date		
26.	Repayment schedule & terms		
27.	Whether secured or unsecured?		
28.	If secured, the nature of security & security coverage ratio		
29.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.		
30.	Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating))		<i>If credit rating of the related party is not available, Audit Committee to comment on credit worthiness of the related party</i>
31.	Amount of total borrowings (long-term and short-term) of the related party over the last three financial years		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
32.	Interest rate paid on the borrowings by the related party from any party in the last three financial years.  <i>Explanation: Comparable rates shall be provided for similar nature of transaction, for e.g., long term vis-a-vis long term etc.</i>		<i>If the interest rate charged to the related party is less than the average rate paid by the related party, then the Audit Committee to provide justification for the low interest rate charged.</i>

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
33.	Default in relation to borrowings, if any, made during the last three financial years, by the related party from the listed entity or <i>any other person</i> .		<p><i>In case of defaults by the related party over the last three financial years, in relation to which the Listed Entity or any of its subsidiary has previously provided guarantee, indemnity or other such obligation, the management has to submit justification to Audit Committee for the proposed transaction and the capacity of the related party to service the debt (loan, deposit or advance) proposed to be given by the listed entity or its subsidiary.</i></p> <p><i>Audit Committee to comment on the justification provided by Management.</i></p>
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
<b><i>Additional details relating to advances other than loan given by the listed entity or its subsidiary</i></b>			
34.	Advances provided, their break-up and duration.		

S. No.	Particulars of the information			Information provided by the management	Comments of the Audit Committee
	S. No.	Advance given to	Amount	Duration of advance given	
	1				
	2				
35.	Advance as % of the total loan given during the preceding 12 months			%	
<b>B(4). Additional details for proposed transactions relating to any investment made by the listed entity or its subsidiary</b>					
36.	Source of funds in connection with the proposed transaction.  <i>Explanation:</i> This shall not be applicable to listed banks/ NBFCs.				
37.	Purpose for which funds shall be utilized by the investee company.				
38.	Where any financial indebtedness is incurred to make investment, specify the following:  <i>Explanation:</i> This shall not be applicable to listed banks/ NBFCs.				
	a. Nature of indebtedness				
	b. Total cost of borrowing				
	c. Tenure				
	d. Other details				
39.	Material covenants of the proposed transaction				

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
40.	<p>Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating))</p> <p><i>Explanation:</i> This shall be applicable in case of investment in debt instruments.</p>		<p><i>If credit rating of the related party is not available, Audit Committee to comment on credit worthiness of the related party</i></p>
41.	<p>Expected annualised returns</p> <p><i>Explanation:</i> This shall be applicable in case of investment in debt instruments.</p>		
42.	<p>Returns on past investments in the related party over the last three financial years</p>	<p><i>Return on Equity</i></p>	<p><i>In case of diminishing value of investments (negative returns) over the last three financial years, Audit Committee to provide justification for the proposed investment</i></p>
43.	<p>Details of asset-liability mismatch position, if any, post investment</p> <p><i>Explanation:</i> This shall be applicable in case of investment in debt instruments.</p>		
44.	<p>Whether any regulatory approval is required. If yes, whether the same has been obtained.</p>		
<p><b>B(5). <u>Additional details</u> for proposed transactions relating to any guarantee (excluding performance guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary</b></p>			

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
45.	Rationale for giving guarantee, surety, indemnity or comfort letter		
46.	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.		
47.	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.		
48.	Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)), if guarantee, surety, indemnity or comfort letter is given in connection with the borrowing by a related party		<i>If credit rating of the related party is not available, Audit Committee to comment on credit worthiness of the related party</i>
49.	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>		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
	<i>FY 20xx-20xx</i>		
50.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person.		<p><i>In case of defaults by the related party over the last three financial years, in relation to which the Listed Entity or any of its subsidiary has previously provided guarantee, indemnity or other such obligation, the management has to submit justification to Audit Committee for the proposed transaction and the capacity of the related party to service the debt (loan, deposit or advance) proposed to be given by the listed entity.</i></p> <p><i>Audit Committee to comment on the justification provided by Management.</i></p>
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
	<i>FY 20xx-20xx</i>		
<b>B(6). <u>Additional details</u> for proposed transactions relating to borrowings by the listed entity or its subsidiary</b>			
51.	Material covenants of the proposed transaction		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
52.	Interest rate (in terms of numerical value or base rate and applicable spread)		
53.	Cost of borrowing (This shall include all costs associated with the borrowing)		
54.	Maturity / due date		
55.	Repayment schedule & terms		
56.	Whether secured or unsecured?		
57.	If secured, the nature of security & security coverage ratio		
58.	The purpose for which the funds will be utilized by the listed entity / subsidiary		
59.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements  <i>Explanation:</i> This shall not be applicable to listed banks.		
	a. Before transaction		
	b. After transaction		
60.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements  <i>Explanation:</i> This shall not be applicable to listed banks.		
	a. Before transaction		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
	b. After transaction		
<b>B(7). <u>Additional details</u> for proposed 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</b>			
61.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.		<i>If the number is less than 3, Audit Committee to comment upon whether the number of bids / quotations received are sufficient</i>
62.	Best bid / quotation received  If comparable bids are available, disclose the price and terms offered.		<i>Audit Committee to provide justification for rejecting the best bid / quotation and for selecting the related party for the transaction</i>
63.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.		<i>Audit committee to justify the additional cost to the listed entity or the subsidiary</i>
64.	Where bids were not invited, the fact shall be disclosed along with the justification for the same.		
65.	Wherever comparable bids are not available, state what is the basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee																												
66.	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.																														
67.	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:																														
	<table border="1"> <thead> <tr> <th></th> <th><i>FY 20xx-20xx</i></th> <th><i>FY 20xx-20xx</i></th> <th><i>FY 20xx-20xx</i></th> </tr> </thead> <tbody> <tr> <td><b>Turnover</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Net worth</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Net Profit</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Net Profit Margin</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Operating Cash Flow Margin</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Return on Assets (RoA)</b></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		<i>FY 20xx-20xx</i>	<i>FY 20xx-20xx</i>	<i>FY 20xx-20xx</i>	<b>Turnover</b>				<b>Net worth</b>				<b>Net Profit</b>				<b>Net Profit Margin</b>				<b>Operating Cash Flow Margin</b>				<b>Return on Assets (RoA)</b>					
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<b>Operating Cash Flow Margin</b>																															
<b>Return on Assets (RoA)</b>																															
68.	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																														

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
69.	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.		
70.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.		
71.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?		
72.	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?		
73.	Are there any other major non-financial reasons for going ahead with the proposed transaction?		
<b>B(8). <u>Additional details</u> for transactions relating to payment of royalty</b>			
74.	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>	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
75.	Purpose for which royalty was paid to the related party during the last three financial years.		<i>For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology, and know-how, it is essential to understand the key components of such agreements and the reasons why these cannot be disclosed 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>	
76.	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>	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
	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. <i>Any other use (specify)</i>	<i>As a % of total royalty proposed to be paid</i>	
77.	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>	
78.	Dividend paid in last 3 FYs as % of Net Profits of previous FYs		<i>Audit Committee to comment on the reasons for less dividend payment than royalty payment, if so.</i>
	<i>FY 20xx-20xx</i>	<i>%</i>	
	<i>FY 20xx-20xx</i>	<i>%</i>	
	<i>FY 20xx-20xx</i>	<i>%</i>	
79.	Royalty and dividend paid or proposed to be paid during the current FY  <i>Explanation: The dividend proposed to be paid shall mean dividend that has been declared but not been paid yet.</i>		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
80.	Rate at which royalty has increased in the past 5 years, if any, vis-à-vis rate at which the turnover, profits after tax and dividends have increased during the same period.		
81.	In case of new technology i.e. first year of technology transfer ( <i>to be provided separately for each new technology</i> ):		
	a. Expected duration of technology transfer	<i>in years</i>	
	b. Benefits derived from the technology transfer		
82.	In case of existing technology i.e. technology being imported ( <i>to be provided separately for each existing technology</i> ):		
	a. Years since technology transfer initiated	<i>in years</i>	
	b. Expected duration of technology transfer	<i>in years</i>	
	c. Benefits derived from the technology transfer		
83.	Details of in-house research & development, if any:		
	a. Total expenses incurred during the preceding financial year		
	b. Benefits derived		

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
	<p>c. If any in-house R&amp;D undertaken by the listed entity or its subsidiary that will reduce or eliminate the royalty currently paid for any technology or technical know-how. Additionally, the absolute value of R&amp;D expenditure incurred by the listed entity or its subsidiary on such in-house R&amp;D, along with the period required for completing the research to achieve the reduction or elimination of royalty, shall be disclosed to the Audit Committee.</p>		<p><i>If no expenses were incurred, the Audit Committee shall provide justification or comment on the same.</i></p>
84.	<p>If royalty is paid to the parent company, disclose royalty received by the parent company from foreign entities:</p> <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> <p><i>Explanation:</i></p> <p>a) The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty.</p> <p>b) The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies. If so, this row shall not be applicable.</p>	%	

S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee																				
85.	Sunset Clause for Royalty payment																						
86.	<p><b>Peer Comparison:</b> Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:</p>																						
	<table border="1"> <thead> <tr> <th data-bbox="277 808 451 926"></th> <th data-bbox="451 808 602 926">Listed Entity / Subsidiary</th> <th data-bbox="602 808 743 926">Peer 1</th> <th data-bbox="743 808 885 926">Peer 2</th> <th data-bbox="885 808 1026 926">Peer 3</th> </tr> </thead> <tbody> <tr> <td data-bbox="277 926 451 1083"><b>Royalty payment over last 3 years</b></td> <td data-bbox="451 926 602 1083"><i>Aggregate amount</i></td> <td data-bbox="602 926 743 1083"><i>Aggregate amount</i></td> <td data-bbox="743 926 885 1083"><i>Aggregate amount</i></td> <td data-bbox="885 926 1026 1083"><i>Aggregate amount</i></td> </tr> <tr> <td data-bbox="277 1083 451 1276"><b>Royalty paid as a % of net profits over the last 3 years</b></td> <td data-bbox="451 1083 602 1276">%</td> <td data-bbox="602 1083 743 1276">%</td> <td data-bbox="743 1083 885 1276">%</td> <td data-bbox="885 1083 1026 1276">%</td> </tr> <tr> <td data-bbox="277 1276 451 1472"><b>Annual growth rate of Turnover over last 3 years</b></td> <td data-bbox="451 1276 602 1472">%</td> <td data-bbox="602 1276 743 1472">%</td> <td data-bbox="743 1276 885 1472">%</td> <td data-bbox="885 1276 1026 1472">%</td> </tr> </tbody> </table>		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>	%	%	%	%		
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<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>	%	%	%	%																			
87.	Royalty paid or payable for imported technology, along with the turnover attributable to such technology.																						
88.	Royalty paid or payable for brands or other intangible assets, along with the turnover attributable to their use.																						

## 5. Standards for Minimum Information to be provided to the shareholders for consideration of RPTs:

- (1) The explanatory statement contained in the notice sent 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 being sent 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 Para 4 of these Standards, to the extent applicable.
  - (b) The Audit Committee can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity from disclosures to shareholders. Further, the Audit Committee shall certify that, in its assessment, the redacted disclosures still provide all the necessary information to the public shareholders for informed decision-making.
  - (c) Justification as to why the proposed transaction is in the interest of the listed entity.
  - (d) Statement of assessment by the Audit Committee that relevant disclosures for decision-making were placed before them, and they have determined that the promoter(s) will not benefit from the RPT at the expense of public shareholders.
  - (e) Disclose the fact that the Audit Committee had reviewed the certificate provided by the CEO or CFO or any other KMP as well as the certificate provided by the promoter directors of the Listed Entity as required under Para 3(2)(b) of these Standards.
  - (f) Copy of the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT.
  - (g) In case of sale, purchase, or supply of goods or services *[as provided in B(2) in the format as specified in Para 4 of these Standards]*, or the sale, lease, or disposal of assets of a subsidiary, unit, division, or undertaking of the listed entity *[as provided in B(7) in the format as specified in Para 4 of these Standards]*, if the Audit Committee has reviewed the terms and conditions of bids from unrelated parties then such fact shall be stated. In case bids have not been invited, the fact shall be disclosed along with the justification thereof, and in case comparable bids are not available, state the basis for recommending that the terms of the RPT are beneficial to the shareholders.
  - (h) Comments of the Board/ Audit Committee of the listed entity, if any.
  - (i) Any other information that may be relevant.