

# **RELATED PARTY TRANSACTION POLICY**

**Commissioned by:** Secretarial Department

**Approved by:** Board of Directors

**Effective date:** 30<sup>th</sup> April 2025

## Document Version Control

Version	Date	Document by	Reviewed by	Remarks
1.0	16-Mar-2021	Lakshmi R N	Ravi Duvvuru	New Policy
2.0	09-Feb-2022	Lakshmi R N	Ravi Duvvuru	<p><b><u>Section 2- Definitions</u></b>  Material modification - Inserted</p> <p>Material Related Party Transaction(s) – Amended</p> <p>Policy – Amended</p> <p>Related Party Transaction - Amended</p> <p><b><u>Section 3 – Applicability</u></b>  Threshold limits for dealing with related party transactions - inserted</p> <p><b><u>Section 5 – Review And Approval For Related Party Transactions</u></b>  a. Information to be provided to Audit and Compliance Committee for review and approval of a related party transaction – Inserted</p> <p>b. Information to be provided to shareholders for review and approval of a related party transaction – Inserted</p> <p><b><u>Section 6 &amp; 7 –</u></b> Material Related Party Transaction and General Criteria for Approval of Related Party Transactions – Deleted</p> <p><b><u>Section 8.a</u></b> –Regulatory disclosures – Amended</p> <p><b><u>Section 9</u></b> - Exemption from applicability of the policy – Amended</p> <p><b><u>Section 11</u></b> – Review and revision – Amended</p>
3.0	30-Apr-2025	Sanath Kumar D Rao	Lakshmi R N	<p><b><u>Clause 2(xii):</u></b> Amendment made to definition of material related party transaction(s)</p> <p><b><u>Clause 4:</u></b> Included material related party transaction on the threshold</p>

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				<p><b><u>Clause 6:</u></b> Minimum information to be submitted to Audit Committee/ Board included as Annexure 2 and Annexure 3.</p> <p><b><u>Clause 7:</u></b> Included the minimum standards for submitting details of RPT to the Audit Committee</p> <p><b><u>Clause 10(c):</u></b> Included the pictorial representation of approval matrix as Annexure-1.</p> <p><b><u>Clause 11:</u></b> Excluded the transaction related to promoters from exemption.</p> <p><b><u>Clause 14:</u></b> Added the SEBI circular reference</p>

## 1. INTRODUCTION AND OBJECTIVE

The Bank has framed and implemented the Policy pursuant to the requirement of Regulation 23 (1) of the Listing Regulations. The Board, on the recommendation of the Audit and Compliance Committee, has adopted this Policy along with associated procedures for regulating Related Party Transactions, in line with the requirements of the Act and Listing Regulations.

The Policy seeks to define a mechanism to handle Related Party Transactions (“RPT”) in order to ensure the transparency, substantive and procedural fairness of such transactions and that the RPT is being entered in accordance with provisions of applicable laws.

The Policy also seeks to provide guidance on identification of related parties and basis on which materiality of RPT will be determined and the proper conduct and documentation of all RPT.

This Policy is intended to ensure that proper review, approval, monitoring, reporting and disclosure processes are in place for all transactions between the Bank and its Related Parties. The Policy specifically provides the review and approval mechanism of Related Party Transactions keeping in mind the potential or actual conflict of interest that may arise as a result of such transactions.

## 2. DEFINITIONS

- i. **“Act”** means The Companies Act, 2013, as amended from time to time and the rules made thereunder;
- ii. **“Audit and Compliance Committee”** means Audit and Compliance Committee of Board of Directors of the Bank constituted under Section 177 of the Act, Regulation 18 of the Listing Regulations and RBI Requirement;
- iii. **“Annual Consolidated Turnover”** is defined as Total Income (i.e. Interest earned plus Other Income) of the last audited Consolidated Financial Statements of the Bank;
- iv. **“Arm’s Length Transaction”** means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest;
- v. **“Bank ”** means Jana Small Finance Bank Limited;
- vi. **“Board”** means Board of Directors of the Bank;
- vii. **“Board’s or Directors’ Report”** means the Report referred under Section 134(3) of the Act;
- viii. **“Director”** means a person appointed to the Board of the Bank for the time being;
- ix. **“Key Managerial Personnel”** shall have the same meaning as defined under Section 2(51) of the Act;
- x. **“Listing Regulations”** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xi. **“Material modification(s)”** shall mean and include any modification to an existing related party transaction having variance of 25% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be.

- xii. **“Material Related Party Transaction(s)”** is defined as transaction with a related party, where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, 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.
- xiii. **“Policy”** means policy on materiality of Related Party Transactions and on dealing with Related Party Transactions
- xiv. **“Related Party(ies)”** shall have the same meaning as defined under Section 2(76) of the Act, Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India and Regulation 2 (1)(zb) of the Listing Regulations;
- xv. **“Related Party Transaction(s) or RPTs”** shall have the same meaning as defined under Regulation 2 (1)(zc) of the Listing Regulations.
- xvi. **“Relative”** shall have the same meaning as defined under Section 2(77) of the Act.

All other words and expressions used in this Policy but not defined herein, shall have the same meaning as ascribed to them under the Act and the Listing Regulations.

### 3. APPLICABILITY

The Policy document applies to approval and reporting of related party relationships and transactions between a reporting enterprise, i.e., the Bank and its related parties.

### 4. THRESHOLD LIMITS FOR DEALING WITH RELATED PARTY TRANSACTIONS

All the material related party transactions and the RPTs beyond the threshold limit tabulated below shall require approval of Audit committee & Board/ Shareholders as the case may be.

Sl. No.	Nature of transaction with a related party	Threshold limit till which related party transaction can be carried out with Board approval	Threshold limit till which related party transaction can be carried out with shareholders' approval (*)
1.	Sale, purchase or supply of any goods or materials, directly or through appointment of agent	Upto 10% of the turnover or Rs. 100 crores, whichever is lower	No upper limit
2	Selling or otherwise disposing of, or buying, property of any kind, directly	Upto 10% of net worth or Rs. 100 crores, whichever is	No upper limit

Sl. No.	Nature of transaction with a related party	Threshold limit till which related party transaction can be carried out with Board approval	Threshold limit till which related party transaction can be carried out with shareholders' approval (*)
	or through appointment of agent	lower	
3.	Leasing of property of any kind	Upto 10% of the turnover or 10% of net worth or Rs. 100 crores, whichever is lower	No upper limit
4.	Availing or rendering of any services, directly or through appointment of agent	Upto 10% of the turnover or Rs. 50 crores, whichever is lower	No upper limit
5.	Appointment of any agent for purchase or sale of goods, materials, services or properties	As stated under (1) or (2) or (3) or (4), whichever is applicable	No upper limit
6	Related party's appointment to any office or place of profit in the company, its subsidiary company or associate company	Monthly remuneration upto Rs. 2,50,000	No upper limit
7	Underwriting the subscription of any securities or derivatives, thereof, of the Company	Upto 1% of net worth	No upper limit
8	Payment towards brand usage or royalty	Upto 5% of Annual Consolidated Turnover	No upper limit

*\*Shareholders may specify maximum permissible limit upto which transaction with a respective related party may be carried out in a financial year, in the event whereof such permissible limit will be reckoned as threshold limit for the purpose of this policy.*

**Note:**

1. Threshold limit shall be determined per year basis
2. 'Networth' or 'Consolidated Turnover' or 'Turnover', wherever specified shall refer to respective figures as per last audited financial statement.

## **5. IDENTIFICATION OF RELATED PARTY TRANSACTIONS**

Every Director and Key Managerial Personnel shall be responsible for providing a declaration to the Company Secretary containing the name of Related Parties and any additional information related thereto on an annual basis or whenever there are any changes in order to

ascertain the Related Parties of the Bank.

The Company Secretary of the Bank shall maintain a database of Related Parties containing the names of individuals and companies identified based on the definition of Related Party and declaration provided by the Directors and Key Managerial Personnel.

The Company Secretary and/or Corporate Secretarial Team shall prepare and maintain the database of Related Parties on the basis definition of Related Party and aforesaid information/ declaration including any revisions therein.

The aforesaid database shall be circulated to Managing Director and Chief Executive Officer /Chief Financial Officer/ Department Heads of the Bank and statutory auditor, as and when required.

## **6. REVIEW AND APPROVAL FOR RELATED PARTY TRANSACTIONS**

### **a. Audit and Compliance Committee**

Unless otherwise stated in this Policy or exempted under applicable laws, all Related Party Transactions shall require prior approval of the Audit and Compliance Committee.

Provided that only those members of the Audit and Compliance Committee, who are independent directors, shall approve related party transactions.

To facilitate the aforesaid approval, Functional departmental heads shall submit to the Company Secretary ("CS") of the Bank the details of proposed transaction with details as provided in Annexure- 2. Based on this note, Company Secretary will appropriately take it up for necessary prior approvals from the Audit and Compliance Committee at its next meeting and convey the decision to the originator.

### **b. Omnibus approval by the Audit and Compliance Committee for Related Party Transactions proposed to be entered**

The Audit and Compliance Committee may grant omnibus approval for Related Party Transactions for the transactions that are repetitive in nature and are entered in ordinary course of business and on arm's length basis.

Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of the financial year.

The Audit and Compliance Committee would review on a quarterly basis the aforesaid Related Party Transactions entered into by the Bank pursuant to each of the omnibus approval given.

In cases where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit and Compliance Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.

Any member of the Audit and Compliance Committee, who has a potential interest in any Related Party Transaction, shall recuse himself or herself and abstain from discussion or voting

on the approval or ratification of such Related Party Transactions.

The Audit and Compliance Committee or the Board shall, in respect of the related party transactions referred to them for approval, shall after considering the materials and information placed before them; judge if the transaction is in the ordinary course of business and at arm's length basis.

The Audit and Compliance Committee shall also review the statement of significant related party transactions as submitted by the senior management.

**c. Board of Directors**

The following Related Party Transactions shall require approval of the Board of Directors of the Bank in addition to the approval of the Audit and Compliance Committee and Shareholders, if applicable:

- i. RPTs referred by Audit and Compliance Committee;
- ii. All Related Party Transactions which are not in ordinary course of business or not on arm's length basis;
- iii. All material Related Party Transactions and subsequent material modifications; and
- iv. All the transactions as specified under clause (a) to (g) of the Section 188(1) of the Act

Further, in line with RBI Master Circular DBOD.BP.BC.No.8/21.04.018/2014-15 dated July 1, 2015 - Disclosure in Financial Statements - Notes to Accounts (Accounting Standard 18), all transactions involving transfer of resources or obligations between related parties, regardless of whether or not a price is charged shall be covered. The following transactions will be covered such as:

- i. Borrowing;
- ii. Deposit;
- iii. Placement of deposits;
- iv. Advances;
- v. Investments;
- vi. Non-funded commitments;
- vii. Leasing/HP arrangements availed/Leasing/HP arrangements provided;
- viii. Purchase of fixed assets;
- ix. Sale of fixed assets;
- x. Interest paid;
- xi. Interest received;
- xii. Rendering of services;
- xiii. Receiving of services; and
- xiv. Management contract

Any director, who has a potential interest in any Related Party Transaction, shall recuse himself or herself and abstain from discussion or voting on the approval or ratification of such Related Party Transactions.

**d. Shareholders' approval**

All the material related party transactions and such other transaction which exceed the threshold specified in clause 4 above, shall require approval of Shareholders.

Further shareholders' approval of omnibus RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding fifteen months. In case of omnibus approvals for material RPTs, obtained from shareholders in general meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year.

The notice for approval of Shareholders shall include details as detailed in Annexure 3.

**7. MINIMUM STANDARDS FOR SUBMITTING DETAILS OF RPT TO THE AUDIT COMMITTEE**

The management shall provide the Audit Committee with the information, as specified in Annexure-2, while placing any proposal for review and approval of a RPT. The management shall take into account the following:

- i. Provide comments against each information where it is sought in the format specified in Annexure-2 against transaction-based information. Indicate 'NA', where the field is not applicable and 'NIL', where no comments have been provided.
- ii. Certificates from the CEO or CFO or any other KMP of the Listed Entity and from every director of the Listed Entity who is also promoter ("promoter director") to the effect that:
  - a. the RPTs to be entered into are not prejudicial to the interest of public shareholders; and
  - b. the terms and conditions of the RPT are not unfavorable to the listed entity, compared to the terms and conditions, had similar transaction been entered into with an unrelated party.

However, if any promoter director does not provide such certificate, the same shall be informed to the Audit Committee and the shareholders.

- iii. In transaction which are under the ambit of material RPT, following details shall be included:
  - a. Copy of the valuation or other report of external party, if any, shall be placed before the Audit Committee.
  - b. If audited financial statements of the related party as required to be submitted to Audit Committee are not available for any financial year, the financial details shall be certified by the related party.
  - c. If the related party follows a different financial year, this fact shall be disclosed.
  - d. In the case of the payment of royalty, management fees, service fees, etc., if

any, shall be explicitly bifurcated and disclosed.

- e. In the case of the payment of royalty, the criteria for selecting Industry Peers shall be as follows:
  - i. The Bank shall strive to compare the royalty payment with a minimum of three Industry Peers, where feasible. The selection shall follow the following hierarchy:
    - 1. Preference will be given to Indian listed Industry Peers.
    - 2. If Indian listed Industry Peers are not available, a comparison may be made with listed global Industry Peers, if available.
    - 3. If no suitable Indian listed/ global Industry Peers are available, the Bank may refer to the peer group considered by SEBI-registered research analysts in their publicly available research reports ("Research Analyst Peer Set"). If the Bank's business model differs from such Research Analyst Peer Set, it may provide an explanation to clarify the distinction.
    - 4. In cases where fewer than three Industry Peers are available, the Bank shall disclose, that only one or two peers are available for comparison.
  - iv. The Audit Committee has any comments on the line items, it shall provide them accordingly. However, comments are required only for applicable line items, while non-applicable line items may be left blank.

## **8. CONFIDENTIALITY OBLIGATIONS**

Related party disclosure requirements as laid down as per Accounting Standard 18 and Ind AS - 24 do not apply in circumstances where providing such disclosures would conflict with the Bank's duties of confidentiality as specifically required in terms of a statute or by any regulator or similar competent authority.

In case a statute or a regulator or a similar competent authority governing the Bank prohibits the Bank to disclose certain information which is required to be disclosed as per the above referred standard, disclosure of such information is not warranted.

## **9. RELATED PARTY TRANSACTIONS WITHOUT THE PRIOR APPROVAL UNDER THIS POLICY**

In the event the Bank becomes aware of a Related Party Transaction that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit and Compliance Committee. The Audit and Compliance Committee shall consider all the relevant facts and circumstances regarding the Related Party Transaction and shall evaluate all options available to the Bank, including ratification, revision or termination of the Related Party Transaction.

Where any contract or arrangement, which is considered as a Related Party Transaction exclusively as per Section 188(1) of the Act, is entered into by a director or any other employee, without obtaining the consent of Audit and Compliance Committee or the Board

or the shareholders of the Bank, such transaction shall be ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into and if approval is not sought within the said period, the such transaction shall be voidable at the option of the Board or, as the case may be, of the shareholders.

A transaction shall not be deemed to violate this Policy, or be invalid or unenforceable, so long as post facto approval is obtained as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by this Policy.

The Audit and Compliance Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

In any case, where the Audit and Compliance Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Audit and Compliance Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation of the transaction, seeking approval of the shareholders, payment of compensation for the loss suffered by the related party, etc.

In connection with any review of a Related Party Transaction, the Audit and Compliance Committee has the final authority to modify or waive any procedural requirements of this Policy subject to the provisions of applicable laws.

## **10. DISCLOSURE AND REPORTING REQUIREMENTS**

### **a) Regulatory Disclosures**

The Details of all material Related Party Transactions shall be disclosed to the Stock Exchanges on quarterly basis along with compliance report on Corporate Governance. Further, the Bank shall submit to the stock exchange(s), disclosures of Related Party Transactions along with standalone financial results for the half year in the format specified by the Securities and Exchange Board of India and publish the same on its website of the Bank.

The Policy shall be available on the website of the Bank and a weblink thereto shall be provided in the Annual Report.

### **b) Statutory Disclosures**

Particulars of contracts/arrangements entered into by the Bank with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under fourth proviso thereto entered with Related Parties shall be referred to in the Board's Report to the shareholders along with the justification for entering into such contract or arrangements. The disclosures should be made in Form AOC-2 as prescribed under the Act and shall be annexed to the Board's Report.

The aforesaid disclosure shall made in case if contracts or arrangements or transactions entered by the Bank with its related parties, in terms of Section 188(1) of the Act, were not at arm's length basis or such transactions were material and at arm's length.

The Bank shall also disclose the materially significant related party transactions that may have potential conflict with the interests of the Bank at large.

**c) Accounting Standard Related Disclosures**

The Bank shall follow the provisions and make necessary disclosure prescribed under Accounting Standard 18 (AS-18) and IND – AS 24 in the financial statements.

The pictorial representation of approval matrix is provided as Annexure-1.

**11. EXEMPTION FROM APPLICABILITY OF THE POLICY**

Notwithstanding the foregoing, but subject to the provisions of the applicable laws from time to time, this Policy shall not apply to the following Related Party Transactions, which shall not require separate/additional approval under this Policy:

- Any transaction pertaining to remuneration of Directors and KMPs who are not related to promoters that require approval of the Nomination and Remuneration Committee of the Company and the Board.
- 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;
- The following corporate actions by the Bank entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
  - Payment of Dividend
  - Subdivision or consolidation of securities;
  - issuance of securities by way of a rights issue or a bonus issue;
  - buy-back of securities.
- Acceptance of fixed deposits 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:
- Contribution towards Corporate Social Responsibility (CSR) within the overall limits approved by the Board that require approval of the CSR Committee.

**12. RECORD KEEPING**

All documentation pertaining to the Related Party Disclosure including declaration from directors, registers maintained by Corporate Secretarial Department/Function and such other records and evidence shall be maintained for a period of 8 years or such other period as specified by any other law in force, whichever is higher.

**13. REVIEW AND REVISION**

The Board shall review this Policy as and when needed or at least once in three years and may make necessary modification or changes in this policy. Any difficulties or ambiguities in the Policy will be resolved by the Board of Directors in line with the broad intent of the Policy.

The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

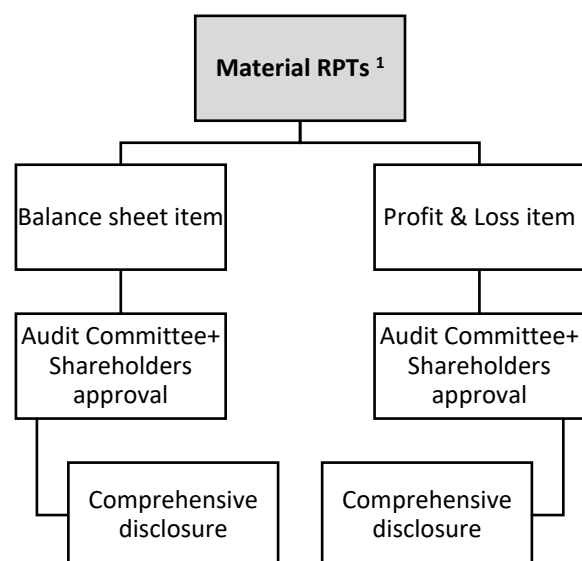
In the event of any conflict between the provisions of this Policy and of the provisions of the Act and/or the Listing Regulations and any other applicable law dealing with related party transactions, such applicable law in force from time to time shall prevail over this policy.

#### **14. REGULATORY REFERENCES**

- Companies Act, 2013
- Banking Regulation Act, 1949
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- SEBI Master circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024
- SEBI circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025
- Accounting Standard 18 by ICAI
- Indian Accounting Standard (Ind AS 24) – Related Part Disclosures
- RBI Master Circular on 'Disclosure in Financial Statements – Notes to Accounts' dated July 1, 2015
- RBI Master Circular – Loans and Advances – Statutory and Other Restrictions dated July 1, 2015

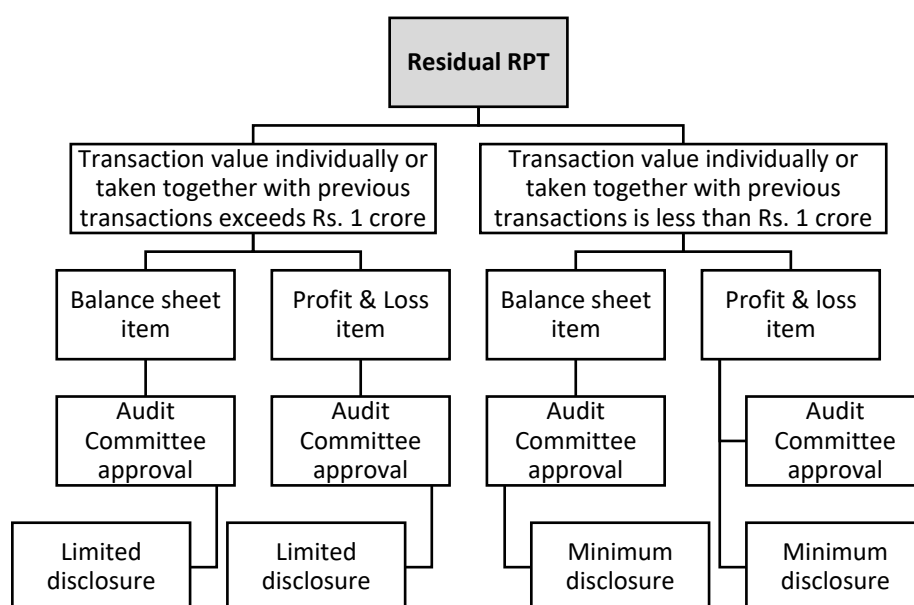
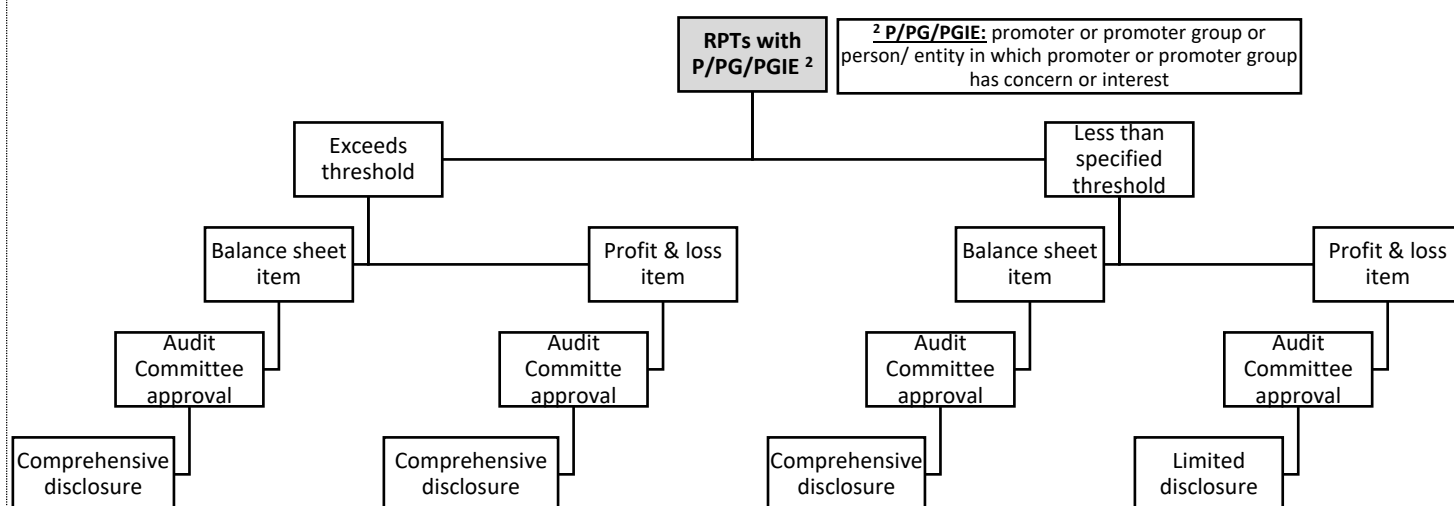
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## Annexure- 1



<sup>1</sup> Material Related Party Transaction(s) is defined as transaction with a related party, where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed lower of the following:

- 2% of turnover, as per the last audited consolidated financial statements of the listed entity;
- 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;
- 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.



**Balance Sheet items include:**

	<b>Particulars</b>	<b>Limited disclosure</b> <i>(Below disclosures are not applicable)</i>	<b>Minimum disclosure</b>
<b>B(3)</b>	Loans, inter-corporate deposits or advances given by the listed entity or its subsidiary	Rows 31 & 32 (In both rows, provide information for the previous financial year instead of the last three financial years)	All disclosures as specified in Rows A(1), A(2), A(4), A(5) and B(1)
<b>B(4)</b>	Investment made by the listed entity or its subsidiary;	Row 43	
<b>B(5)</b>	Guarantee (excluding performance guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary;		
<b>B(6)</b>	Borrowings by the listed entity or its subsidiary; and		
<b>B(7)</b>	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.		

**P&L items include:**

	<b>Particulars</b>	<b>Limited disclosure</b> <i>(Below disclosures are not applicable)</i>	<b>Minimum disclosure</b>
<b>B(2)</b>	Sale, purchase or supply of goods or services or any other similar business transaction	Rows 13 to 17	All disclosures as specified in Rows A(1), A(2), A(4), A(5) and B(1)
<b>B(8)</b>	Payment of royalty	Rows 78,79,84 & 86	

**Annexure-2**

Category	Sub-category	Particulars of the information
A. Details of the related party and transactions with the related party	A(1). Basic details of the related party	Country of incorporation of the related party
		Name of the related party
		Nature of business of the related party
	A(2). Relationship and ownership of the related party	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party.
		Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary (in case of transaction involving the subsidiary).
		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.
	A(3). Financial performance of the related party	Standalone net profits of the related party for each of the last three financial years
		Standalone net worth of the related party for each of the last three financial years
		Standalone turnover of the related party for each of the last three financial years
	A(4). Details of previous transactions with the related party	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.
		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.

Category	Sub-category	Particulars of the information
		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).
		Whether prior approval of Audit Committee has been taken for the above mentioned transactions?
	A(5). Amount of the proposed transactions (All types of transactions taken together)	Total amount of all the proposed transactions being placed for approval in the current meeting.
		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)
		Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year
		Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding financial year
		Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT
B. Details for specific transactions	B(1). Basic details of the proposed transaction	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee. (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.)

Category	Sub-category	Particulars of the information
		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.
		Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. 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%.
		Details of the proposed transaction
		Indicative date / timeline for undertaking the transaction
		Other information relevant for decision making.
		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.
		Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)
		Tenure of the proposed transaction (tenure in number of years or months to be specified)
		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. If omnibus approval is being sought, the maximum value of a single transaction during a financial year.

Category	Sub-category	Particulars of the information
		Whether omnibus approval is being sought?
		Whether the RPTs proposed to be entered into are: (i) not prejudicial to the interest of public shareholders, and (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
	B(2). Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received. (Audit committee to justify the additional cost to the listed entity or the subsidiary)
		Best bid / quotation received. If comparable bids are available, disclose the price and terms offered. (Audit committee to provide justification for rejecting the best bid / quotation and for selecting the related party for the transaction)
		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. (If the number is less than 3, Audit Committee to comment upon whether the number of bids / quotations received are sufficient)
		Where bids were not invited, the fact shall be disclosed along with the justification for the same.

Category	Sub-category	Particulars of the information
		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(3). Additional details for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary	Source of funds in connection with the proposed transaction. <i>(Not applicable for listed banks/ NBFC)</i>
		Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance <i>(Not applicable for listed banks/ NBFC)</i>
		Material covenants of the proposed transaction
		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: <ul style="list-style-type: none"> <li>•To any party (other than related party)</li> <li>•To related party.</li> </ul> (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.)
		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
		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

Category	Sub-category	Particulars of the information
		Proposed interest rate to be charged by listed entity or its subsidiary from the related party.
		Maturity / due date
		Repayment schedule & terms
		Whether secured or unsecured?
		If secured, the nature of security & security coverage ratio
		The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.
		Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)) (If credit rating of the related party is not available, Audit Committee to comment on credit worthiness of the related party)
		Amount of total borrowings (long- term and short-term) of the related party over the last three financial years
		Interest rate paid on the borrowings by the related party from any party in the last three financial years. (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.)
		Default in relation to borrowings, if any, made during the last three financial years, by the related party from the listed entity or any other person.
		Advances provided, their break-up and duration.
		Advance as % of the total loan given during the preceding 12 months

Category	Sub-category	Particulars of the information
	B(4). Additional details for proposed transactions relating to any investment made by the listed entity or its subsidiary	Source of funds in connection with the proposed transaction. <i>(Not applicable for listed banks/ NBFC)</i>
		Material covenants of the proposed transaction
		Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)) (If credit rating of the related party is not available, Audit Committee to comment on credit worthiness of the related party)
		Purpose for which funds shall be utilized by the investee company.
		Where any financial indebtedness is incurred to make investment specify the Nature of indebtedness, Tenure and total cost of borrowing. <i>(Not applicable for listed banks/ NBFC)</i>
		Expected annualised returns
		Returns on past investments in the related party over the last three financial years
		Details of asset-liability mismatch position, if any, post investment (In case of diminishing value of investments (negative returns) over the last three financial years, Audit Committee to provide justification for the proposed investment)
		Details of asset-liability mismatch position, if any, post investment
		Whether any regulatory approval is required. If yes, whether the same has been obtained
		Rationale for giving guarantee, surety, indemnity or comfort letter

Category	Sub-category	Particulars of the information
	B(5). Additional details 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	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.
		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.
		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
		Details of solvency status and going concern status of the related party during the last three financial years:
		Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person.
	B(6). Additional details for proposed transactions relating to borrowings by the listed entity or its subsidiary	Material covenants of the proposed transaction
		Maturity / due date
		Repayment schedule & terms
		Whether secured or unsecured?
		If secured, the nature of security & security coverage ratio
		Interest rate (in terms of numerical value or base rate and applicable spread)

Category	Sub-category	Particulars of the information
		Cost of borrowing (This shall include all costs associated with the borrowing)
		The purpose for which the funds will be utilized by the listed entity / subsidiary
		Before and After the transaction - debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements ( <i>Not applicable to listed banks/ NBFCs</i> )
		Before and after the transaction - Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements ( <i>Not applicable to listed banks/ NBFCs</i> )
	B(7). Additional details 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	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. (If the number is less than 3, Audit Committee to comment upon whether the number of bids / quotations received are sufficient)
		Where bids were not invited, the fact shall be disclosed along with the justification for the same.
		Best bid / quotation received: If comparable bids are available, disclose the price and terms offered. (Audit Committee to provide justification for rejecting the best bid / quotation and for selecting the related party for the transaction)
		Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.

Category	Sub-category	Particulars of the information
		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.
		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.
		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 which shall include - Networth, Turnover, Net profit, Net profit margin, Operating cash flow margin and Return on Assets)
		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
		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.
		Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.
		Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?

Category	Sub-category	Particulars of the information
		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?
		Are there any other major non- financial reasons for going ahead with the proposed transaction?
	B(8). Additional details for transactions relating to payment of royalty	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three financial years
		Purpose for which royalty was paid to the related party during the last three financial years. (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.)
		Purpose for which royalty is proposed to be paid to the related party in the current financial year
		Royalty paid in last 3 FYs as % of Net Profits of previous FYs
		Dividend paid in last 3 FYs as % of Net Profits of previous Fys (Audit Committee to comment on the reasons for less dividend payment than royalty payment, if so.)
		Royalty and dividend paid or proposed to be paid during the current FY (The dividend proposed to be paid shall mean dividend that has been declared but not been paid yet.)
		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

Category	Sub-category	Particulars of the information
		In case of new technology i.e. first year of technology transfer (to be provided separately for each new technology)
		In case of existing technology i.e. technology being imported (to be provided separately for each existing technology)
		Details of in-house research & development
		If royalty is paid to the parent company, disclose royalty received by the parent company from foreign entities
		Sunset Clause for Royalty payment
		Peer Comparison: 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
		Royalty paid or payable for imported technology, along with the turnover attributable to such technology.
		Royalty paid or payable for brands or other intangible assets, along with the turnover attributable to their use.

**Minimum Information to be provided to the shareholders for consideration of RPTs:**

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 Annexure 2, 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.
- (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 Annexure 2]***, 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 Annexure 2]***, 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.