

POLICY ON RELATED PARTY TRANSACTIONS

Latest Review and Amendment date

Date	Review/ Amendments	Reviewed/ Amendment Approved By
May 10, 2026	Amend	Board of Directors

POLICY ON RELATED PARTY TRANSACTIONS

[Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]

1. Preamble and background

The Company Paisalo Digital Limited, Formerly Known as S. E. Investments Limited, considers that certain related party transactions can present a potential or actual conflict of interest and may raise questions about the consistency of such related party transactions with the Company's and its stakeholders' interests. Accordingly, the Company must ensure that related party transactions as prescribed under the Companies Act, 2013 are managed, regulated and disclosed in accordance with the applicable legal requirements and in the best interests of the Company and its stakeholders.

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 mandates for listed Company to formulate a policy on materiality of related party transactions and dealing with related party transactions including threshold limits.

In light of the above and as a part of the corporate governance practice, the Company has framed this Policy on Related Party Transactions in order to set forth the procedure under which certain transactions with related parties must be reviewed and approved or ratified. This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee.

2. Definitions

"Act" means the Companies Act, 2013, Rules framed thereunder and any amendments thereto.

"Annual Consolidated Turnover" means Total Income (i.e. interest earned plus other income) of the Company as per last audited Annual Consolidated Financial Statements of the Company.

"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.

"Audit Committee or Committee" means the Audit Committee of the Board of Directors of the Company by whatever name called constituted under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

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

"Company" means Paisalo Digital Limited.

"Key Managerial Personnel (KMP)" means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and rules made thereunder.

"Material Related Party Transaction" means a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the following:

Consolidated Turnover of the Company Threshold	Threshold
(I) Up to ₹ 20,000 Crore	10% of the annual consolidated turnover of the Company
(II) More than ₹20,000 Crore to upto ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the Company above ₹20,000 Crore
(III) More than ₹20,000 Crore to upto ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the Company above ₹40,000 Crore or ₹5000 Crores, whichever is lower.

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

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

"Material Modification": Material Modification shall mean a 50% or more increase in the original value/consideration of any Related Party Transaction entered into/ to be entered into by the Company, which was earlier approved by the Audit / Board of Directors/Shareholders of the Company, as the case may Be.

"Ordinary Course of Business" with reference to a transaction with a related party means a transaction which is:

- Carried out in the normal course of business envisaged in accordance with the Memorandum of Association ("MOA") of the Company as amended from time to time;
- Historical practice with a pattern of frequency;
- Common commercial practice; or
- Meets any other parameters/criteria as decided by the Board/Audit Committee from time to time.

Ordinary Course of Business includes but not limited to activities that are necessary, normal, and incidental to the business.

"Policy" or "this Policy" means Policy on Related Party Transactions of the Company.

"Regulations" or "SEBI (LODR) Regulations, 2015" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

"Related Party" with reference to the Company, shall have the same meaning as defined in Section 2(76) of the Companies Act, 2013 or under applicable accounting standards:

Provided that:

- a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- b) any person or any entity, holding equity shares:
 - (i) of twenty per cent or more; or
 - (ii) of ten per cent or more, with effect from April 1, 2023; in the Company either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year;

shall be deemed to be a related party.

"Related Party Transaction" transaction involving a transfer of resources, services or obligations between:

- (i) the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or
- (ii) the Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the 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 Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b) the following corporate actions by the Company which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. subdivision or consolidation of securities;
 - iii. issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities.

- c) acceptance of fixed deposits by the Company 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 SEBI;
- d) retail purchases, if any, from the Company or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and Directors
- e)

“**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).

All other words, terms and expressions used but not defined in this policy, shall have the same meaning as respectively assigned to them in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the Companies Act, 2013 or rules and regulations made thereunder, or any statutory modification or re-enactment thereto, as the case may be.

3. Scope, Objective and Purpose of the Policy

The provisions of this Policy shall govern the review, approval, reporting procedure and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its stakeholders.

The main object and purpose of this policy to set out the manner of dealing with Related Party Transactions based on Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

In addition to the provisions of this Policy, the Company shall also adhere to the provisions of Directions provided under Reserve Bank of India (Non-Banking Financial Companies - Credit Risk Management) Directions, 2025 ("RBI Directions) in respect of loan to related party(ies) as defined in RBI directions.

4. Identification of Related Party and Transactions with Related Parties

➤ **Identification of Related Parties**

The Company has formulated guidelines for identification and updating the list of related parties, which includes:

- The responsibility of every Directors and Key Managerial Personnel to provide annually a declaration, in prescribed format as per **Annexure A**, for his/her interest in other entities and update the same as and when any change occurred in that.
- Every new appointed Director or Key Managerial Personnel shall, within a period of 30 days of his/her appointment, or relinquishment of his office in other Companies, as the case may, disclose to the Company the particulars relating to his/her concern or interest in the other associations.
- Maintenance of updated database of information pertaining to Related Parties.

➤ **Prior Notice of Related Party Transactions**

A guideline has also been formulated by the Company for identification of related party transactions in accordance with Section 188 of the Act and SEBI (LODR) Regulations, 2015, and Company has also formulated guidelines for determining whether the transaction is in the ordinary course of business and at arm's length basis.

Under the guidelines, it is the responsibility of every Directors, Key Managerial Personnel, Functional heads/ Chief Financial Officer to provide prior notice with supporting details and documents (a suggested list of details, records and supporting documents is provided in **Annexure B**) to the Company of any potential Related Party Transaction. They will also be responsible for providing additional information about the transaction that the Board/ Committee may require, for being placed before the Committee and Board.

The Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

5. Process for monitoring of Related Party transactions

All Branch Head/Office In-Charge would be required to proactively ensure that RPTs are entered in accordance with this Policy. Any non-compliance, if observed, must be reported to the Audit Committee.

6. Review, Approval and Ratification of Related Party Transaction

- a) All Related Party Transactions including any material modification or renewal thereof shall require prior approval of the Audit Committee. Provided that only those members of the Audit Committee, who are Independent Directors, shall approve related party transactions.

- b) A related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction, exceeds the lower of the following:
- i) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
 - ii) the threshold for material related party transactions of the Company.
- c) In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the Company shall be obtained if the value of such transaction exceeds the lower of the following:
- i) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
 - j) the threshold for material related party transactions of the Company

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

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

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (d) above, the prior approval of the audit committee of the listed subsidiary shall suffice.

- k) The members of the Audit Committee, who are Independent Directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the Audit Committee, whichever is earlier, subject to the following conditions:
- i. the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
 - ii. the transaction is not material in terms of the provisions of sub-regulation (1) of this regulation;

- iii. rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
- iv. the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of this regulation;
- v. any other condition as specified by the audit committee:

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

- l) prior approval of the Audit Committee shall not be required for a related party transaction to which the listed subsidiary is a party but the Company is not a party, if Regulation 23 and Regulation 15(2) of SEBI (LODR) Regulations, 2015 are applicable to such listed subsidiary.
- m) remuneration and sitting fees paid by the Company or its subsidiary to its Director, Key Managerial Personnel or Senior Management, except who is part of promoter or promoter group, shall not require approval of the Audit Committee provided that the same is not material.
- n) The Company shall provide the following information, for review of the Audit Committee for approval of a proposed Related Party Transaction:
 - 1. Type, material terms and particulars of the proposed transaction;
 - 2. Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);
 - 3. Tenure of the proposed transaction (particular tenure shall be specified);
 - 4. Value of the proposed transaction;
 - 5. The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a Related Party Transaction involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
 - 6. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:
 - i. details of the source of funds in connection with the proposed transaction;

- ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
 - nature of indebtedness;
 - cost of funds; and
 - tenure;
 - iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the Related Party Transaction.
7. Justification as to why the Related Party Transaction is in the interest of the Company;
 8. A copy of the valuation or other external party report, if any such report has been relied upon;
 9. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed Related Party Transaction on a voluntary basis;
 10. In addition to the above, information, as Minimum Information, as set out in the formats annexed to this policy as Annexure C shall be provided to the Audit Committee, in terms of Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction".
 11. Any other information that may be relevant.
- o) The Company shall include the following information as a part of explanatory statement to the notice sent to shareholders in addition to the requirement of Section 188 of the Companies Act, 2013, for review of the Shareholders for approval of a proposed Related Party Transaction:
1. A summary of the information provided by the management of the Company to the Audit Committee as specified in point (g) above;
 2. 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;
 3. Justification for why the proposed transaction is in the interest of the Company

4. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details specified under point (g) 6 above.

(The requirement of disclosing source of funds and cost of funds shall not be applicable to the Company.);

5. 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;
6. Copy of the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT;
7. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed Related Party Transaction on a voluntary basis;
8. 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 Company as required under Para 3(2)(b) of Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction".
9. In case of sale, purchase, or supply of goods or services or the sale, lease, or disposal of assets of a subsidiary, unit, division, or undertaking of the Company, 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.
10. Comments of the Board/ Audit Committee of the Company, if any.
11. Any other information that may be relevant.
12. The Audit Committee can approve redaction of commercial secrets and such other information that would affect competitive position of the Company 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.

- p) The Audit Committee shall grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiary, subject to the following conditions:

1. The proposed Related Party Transactions are repetitive in nature and the Audit Committee is satisfied that such omnibus approval is in the interest of the Company;
 2. Omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year;
 3. Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company or its subsidiary pursuant to each of the omnibus approvals given
 4. Related Party Transactions which cannot be foreseen and where the details prescribed in the criteria for seeking omnibus approval are not available, the Audit Committee may grant omnibus approval upto Rs. One crore per transaction.
- q) Every Related Party Transaction which is 'Material' as defined in this Policy or any material modification thereof, shall require prior approval of the shareholders. No Related Parties shall vote to approve the relevant transaction, irrespective of whether they are party to the particular transaction or not.
- r) All Related Party Transactions prescribed under Section 188 of the Act which are either not in the ordinary course of business or are not at arm's length basis, shall require prior approval of:
- a. Board; and
 - b. Shareholders, if amount of such transactions exceeds the limits prescribed in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. No Related Party shall vote to approve such transaction.
- s) All Related Party Transactions including Related Party Transactions approved through omnibus approval, shall be reviewed post facto by the Audit Committee. Audit Committee shall be informed whether the Related Party Transactions have been entered into in the ordinary course of business and on arm's length basis.
- t) In addition to the above, following kind of related party transactions shall also be placed before the Board for its approval:
1. Related Party Transactions in respect of which Audit Committee determines that the transactions should be brought before the Board of Directors for its approval
 2. Related Party Transactions which are Material Related Party Transactions, which are intended to be placed before the Shareholders for approval; and
 3. other transactions, which as per the parameters (value threshold and/or other parameters) set out by Board of Directors from time to time, require Board approval in addition to Audit Committee approval.

- u) Audit Committee shall also review the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis.

➤ **Exempted Related Party Transaction**

The approval of the Audit Committee, Board or Shareholders shall not be required for;

- a) transactions entered into between Company and its wholly owned subsidiary(ies), whose accounts are consolidated with the Company and placed before the Shareholders at the General Meeting for the approval;
- b) transactions entered into between two wholly-owned subsidiaries of the Company (holding company), whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.
- c) transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between the Company on one hand and the Central Government or any State Government or any combination thereof on the other hand.
- d) transactions entered into between the company on one hand and the Central Government or any State Government or any combination thereof on the other hand.

➤ **Related Party Transaction not previously approved**

In the event the Company becomes aware of a related party transaction that has not been previously approved under this policy, the transaction shall be placed as promptly as practicable before the Committee or Board or the Shareholders as may be required under this policy and applicable laws for review and ratification.

The Committee or Board or Shareholders shall consider all relevant facts and circumstances respecting to such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision or termination of such transaction and the Company shall take such action as the Committee deems appropriate under the circumstances and in compliance with the provisions of applicable law/regulations.

7. Disclosures and Reporting of Related Party Transactions

As per the provisions of Section 134 of the Companies Act, 2013, the Company shall disclose in prescribed form the particulars of transactions with related parties as referred to in Section 188(1) of the Companies Act, 2013 and which are not in the ordinary course of business or at arm's length basis.

The Company shall submit within the time as prescribe in the SEBI (LODR) Regulations, 2015 from the date of publication of its standalone and consolidated financial results for

half year, disclosures of related party transactions, in the format as specified by the SEBI from time to time to the stock exchange and publish the same on the website of the Company.

In addition to above, the Company shall also submit details of related party transactions to the stock exchanges as per the provisions of SEBI (LODR) Regulations, 2015.

However, the remuneration and sitting fees paid by the Company or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure provided that the same is not material.

8. Dissemination of Policy

The Company shall disseminate this Policy on Related Party Transactions on the website of the Company and web link with other disclosures thereto shall be provided in the Annual Report of the Company.

9. Scope Limitation

In the event of any conflict between the provisions of this Policy and provisions of Companies Act, 2013 / SEBI (LODR) Regulations, 2015 or any other statutory enactments, rules then the applicable provisions of Companies Act, 2013 / SEBI (LODR) Regulations, 2015 or any other statutory enactments, rules shall prevail over this Policy.

10. Policy review

The Board of Directors of the Company ("Board") on recommendation of the Audit Committee of the Company ("Audit Committee") shall review the Policy at least once in three years.

11. Amendment

The Board on the recommendation shall amend any of the provisions of this Policy, substitute any of the provisions with a new provisions or replace this Policy entirely with a new Policy according to subsequent modification(s) /amendment(s) to Companies Act, 2013/ SEBI (LODR) Regulations, 2015 or any other statutory enactments.

ANNEXURE-A

NOTICE OF INTEREST BY DIRECTOR/ KEY MANAGERIAL PERSONNEL

To,
The Board of Directors,
Paisalo Digital Limited
Delhi

Dear Sir,

Sub.: Notice of Interest in other entity

- A. I,.....,son/daughter/wife of, resident of, holdingShares of Rs. 10 each (.....percent of the paid-up capital) in the Company in my name being a(designation) in the Company, hereby give notice that I am interested directly/ through my Relative (as mentioned in annexed Schedule) in the following company(ies), body(ies) corporate, firms or other association(s) of individuals:

Sr. No.	Name of Company/ Body Corporate/ Firm/ Association of Individuals	Nature of Interest or Concern/ Change in Interest or Concern	Shareholding (%)	Date on which Interest or Concern arose/ changed

- B. The following are the Body(ies) Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with any advice, directions or instructions:

Sr. No.	Name of Body Corporate

- C. I am accustomed to act on the advice, directions or instructions of the following persons(other than advice, directions or instructions obtained in professional capacity):

Sr. No.	Name of Person	Relation

D. Interested through Relatives

Details of my interest in other entity(ies) through my relatives is annexed as **Annexure II**

- E. Further, details of committees of other company in which I am member or chairman is also annexed herewith as **Annexure III**

Place:
Date:

Signature
Name.....
Designation.....

SCHEDULE

List of Relatives (alive) as per section 2(77) of Companies Act, 2013

Sr. No.	Relationship	Full Name	Address	Shareholding in Paisalo Digital Ltd.
1.	Spouse			
2.	Father (Including Step Father)			
3.	Mother (Including Step Mother)			
4.	Son (Including Step Son)			
5.	Son's Wife			
6.	Daughter			
7.	Daughter's husband			
8.	Brother (Including step-brother)			
9.	Sister (Including step-Sister)			
10.	Member of HUF			

Annexure-II

LIST OF ENTITIES IN WHICH I HAVE INTEREST THROUGH MY RELATIVES

A. PARTNERSHIP FIRMS

Firms in which any of my relatives is a partner

S. No.	Name of the Relatives	Names of the Firms	Name of Other Partners of the Firm
----	----	----	----
----	----	----	----
----	----	----	----

B. PRIVATE LIMITED COMPANIES

Private Companies in which any of my relatives is member or director

S. No.	Name of the Company	Designation and/ or % if Shareholder
----	----	----
----	----	----
----	----	----

C. PUBLIC LIMITED COMPANIES

Public Companies in which any of my relatives is member or director

S. No.	Name of the Company	Designation and/ or % if Shareholder
----	----	----
----	----	----
----	----	----

Place:

Date:

Signature

Name.....

Designation.....

Annexure-III

COMMITTEES OF COMPANIES IN WHICH I AM MEMBER OR CHAIRMAN

S. No.	Name of the Company	Name of Committee	Designation
1			

Place:

Date:

Signature

Name.....

Designation.....

ANNEXURE-B

SUGGESTED LIST OF DETAILS, RECORDS AND SUPPORTING DOCUMENTS TO BE PROVIDED TO THE AUDIT COMMITTEE/BOARD IN RELATION TO THE PROPOSED RELATED PARTY TRANSACTION (TO THE EXTENT RELEVANT TO THE TRANSACTION)

- Name of Related Party and nature of relationship;
- Nature and duration of the contract/transaction and particular thereof;
- Material terms of the contract or arrangement or transaction including the value, if any;
- In case of existing or approved contract, transactions, details of proposed variations to the duration, current price/ value and/ or material terms of the contract or arrangement including a justification to the proposed variations;
- Any advance paid/ received or to be paid /received for the contract or arrangement, if any;
- Manner of determining the pricing and other commercial terms, whether or not included as part of contract;
- Copy of draft agreement, contract order or correspondence etc., if any;
- Applicable Statutory provisions, if any;
- Valuation Report in case of sale or purchase or leasing or renting of capital assets or securities;
- Justification as to arm's length nature of the proposed transaction;
- Declaration whether the transaction is in ordinary course of business;
- Person/authority approving the transaction; and
- Any other information relevant or important for the Committee/Board to take decisions on the proposed transaction.

ANNEXURE-C

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
<u>A. Details of the related party and transactions with the related party</u>			
A(1). Basic details of the related party			
1.	Name of the related party		
2.	Country of incorporation of the related party		
3.	Nature of business of the related party		
A(2). Relationship and ownership of the related party			
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.	% Shareholding % Contribution % P&L Sharing	
S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
6.	Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary (in case of transaction involving the subsidiary). <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.	% Shareholding	

A(3). Financial performance of the related party

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>		

A(4). Details of previous transactions with the related party

10.	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. Note: Details need to be disclosed separately for listed entity and its subsidiary.		
<i>FY 20xx-20xx</i>			
S. No.	Nature of Transactions	Amount (in INR)	
<i>FY 20xx-20xx</i>			
S. No.	Nature of Transactions	Amount (in INR)	

FY 20xx-20xx			
S. No.	Nature of Transactions	Amount (in INR)	
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.		
A(5). Amount of the proposed transactions <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. Details for specific transactions

B(1). Basic details of the proposed transaction

(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)

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?		
S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
6.	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.		
7.	Whether the RPTs proposed to be entered into are:	Certificate from the CEO or CFO or any other KMP of the	

	(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	listed entity and also from promoter directors of the listed entity (as referred in Para 3(2)(b) of these Standards)	
8.	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.		
S. No.	Particulars of the information	Information provided by the management	Comments of the Audit Committee
9.	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%. <i>Explanation:</i> Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives.		
	a. Name of the director / KMP		
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	% Shareholding	
10.	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. <i>Explanation:</i> Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives.		

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	% Shareholding	
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(2). <u>Additional details</u> for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction			
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(3). Additional details for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary			
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.	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: - To any party (other than related party): - To related party. <i>Explanations: 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 charged, then Audit Committee to provide justification for the low interest rate charged.</i>
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</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</i>

	<i>transaction, for e.g., long term vis-a-vis long term etc.</i>		<i>justification for the low interest rate charged.</i>
--	--	--	---