



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

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1. Applicability and Effective date

The Company had formulated a Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions, which was effective from 01.10.2014. The Policy has been revised from time to time considering various developments. The Policy is being further revised with effect from 29th December 2025 unless specified otherwise.

This Policy is formulated to regulate the related party transactions based on the applicable laws, rules and regulations, as amended from time to time.

2. Purpose

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

This Policy shall supplement Company's other policies & practices/ delegation of authorities / manual of authorities etc. which require approval of the contracts or arrangement in specified manner and by specified authority. If there exists more than one set of requirements due to application of multiple laws and regulations, the endeavor must be based on the compliance principle, which would meet the higher governance standards.

3. Definitions

- i. **“Arm’s Length Transaction”** shall be as defined in explanation (b) to Section 188 (1) of the Companies Act, 2013, means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest.
- ii. **“Associate Company”** shall be as defined in Section 2(6) of the Companies Act, 2013.
- iii. **“Board”** means the Board of Directors of NTPC Limited.
- iv. **“Companies Act, 2013”** or **“the Act”** means the Companies Act, 2013 as amended from time to time.
- v. **“Key Managerial Personnel”** shall be as defined in Section 2(51) of the Companies Act, 2013.
- vi. **“Material Modifications”** means any modification to the existing Related Party Transaction which has the effect of increasing or decreasing the value of original contract by 35% or more.
- vii. **“Material Related Party Transaction”** shall be a transaction with a related party as specified under SEBI (LODR) Regulations 2015 and as amended from time to time. Accordingly, transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds specified in schedule XII of the SEBI (LODR) Regulations, 2015 as mentioned below or as amended from time to time:

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

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

Notwithstanding the above, a transaction involving payments made to related party with respect to brand usage or royalty shall be considered material, if the transactions to be entered into individually or taken together with the previous transactions during a financial year exceeds 5% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

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

- where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise.
- where such office or place is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise.

ix. **“Ordinary Course of Business”** includes but not limited to a term for activities that are necessary, normal, and incidental to the business. These are common practices and customs of commercial transactions. In law, the ordinary course of business covers the usual transactions, customs and practices of a certain business and of a certain firm. Indicative factors for determining term ordinary course of business:

- a) is normal or otherwise remarkable for your particular business (i.e. features in your system, processes, advertising, staff training, etc.)
- b) is frequent and regular
- c) involves significant amounts of money
- d) is a source of income for your business
- e) involves significant allocation of resources
- f) is involved in a service or product that is offered to customers

x. “**Related Party**” means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013, or under the applicable accounting standards or under Regulation 2(1) (zb) of SEBI (LODR) Regulations 2015 as amended from time to time.

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

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

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| 12. | <p>A person or a close member of that person's family if that person:</p> <ul style="list-style-type: none"> (i) has control or joint control of NTPC; (ii) has significant influence over NTPC; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. | |
| 13 | <ul style="list-style-type: none"> (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others) (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member). (iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity, and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity. (vi) The entity is controlled or jointly controlled by a person identified in 12 (i). (vii) A person identified in 12 (i) & (ii) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity). (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity. (ix) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including: | |

| | | |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| | (x) that person's children, spouse or domestic partner, brother, sister, father and mother, children of that person's spouse or domestic partner; and dependents of that person or that person's spouse or domestic partner | |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

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

- a. listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- b. listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged.

A "transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract. Provided that the following shall not be a related party transaction:

- a. the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- b. the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend.
 - ii. subdivision or consolidation of securities.
 - iii. Issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities.
- c. retail purchases from any listed entity or its subsidiary by the directors or key managerial personnel of the listed entity or its subsidiary, and relatives of such directors or key managerial personnel without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel.

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

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

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

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

4. Approval and Review of Related Party Transaction

(A) All Related Party Transactions and subsequent material modifications shall be subject to the prior approval of the Audit Committee. All other modifications shall also require approval of the Audit Committee. Further, only those members of the audit committee, who are independent directors, shall approve related party transactions under Regulation 23(2) of SEBI (LODR) Regulations 2015.

(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 NTPC is a party but NTPC is not a party, shall require prior approval of the Audit Committee of NTPC, as under: -

a) For subsidiaries having audited financials: if the value of such transactions, exceeds the lower of the following:

- 10% of annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- The thresholds for material RPTs of NTPC as defined in aforesaid Clause 3(vii)

b) For new subsidiaries does not have audited financial statements for a period of at least 1 year: if the value of such transaction, exceeds the lower of the following:

- 10% of aggregate value of paid-up share capital + securities premium of the subsidiary; or
- The thresholds for Material RPTs of NTPC as defined in aforesaid Clause no. 3(vii)

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.

Whenever the aforesaid prescribed limit as per (B) above is triggered, disclosures for approval to Audit Committee, Board of Directors and Shareholders of NTPC as the case may be, shall be made as per clause 4.1.1, 4.2.4 and 4.2.5, respectively, to the extent applicable.

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

(C) The following are responsible for placing an agenda before the Audit Committee and/or Board of Directors of all Related Party Transaction(s) requiring approvals (including omnibus approval) in accordance with this policy:

- **For Contracts Related Issues:**
ED (CC&M) shall coordinate with all the sites/ units and place consolidated agenda for approval.
- **For Consultancy Assignments:**
Consultancy Wing through concerned Director shall place consolidated agenda for approval.
- **For properties / premises / vehicle / given on lease/rent and training provided to employees of JVs/ Subsidiaries:**
HR Department through Director (HR) shall place consolidated agenda for approval.
- **For further investment/ loan/ guarantee in JVs/ Subsidiaries:**
Business Development Department through concerned functional Director shall place consolidated agenda for approval.
- **For Other Matters:**
The Executive Director through Concerned Functional Director shall place consolidated agenda for approval.

The above Heads shall also be responsible for placing the agenda for review of the Audit Committee on a quarterly basis with the details of RPTs entered into by the Company pursuant to each of the omnibus approval obtained under Clause 4.1.2 of this Policy.

After the approval of the Audit Committee and Board, Company Secretary shall place the agenda to the shareholders for approval, wherever required.

4.1 Approval of the Audit Committee- Mechanism

4.1.1 Details to be provided for recommendation/approval of Audit Committee

| S. No. | Particulars | Information/Disclosures to be provided |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| 1 | For transactions to be entered into between NTPC and its Subsidiary | Disclosures as specified in Annexure A |
| 2 | For transactions to be entered into between NTPC and Related Parties other than its subsidiary: | Disclosures as specified in Annexure A |
| | (a)If the transactions whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification) upto Rs.10 Crore or 1% of NTPC's last audited consolidated turnover, whichever is lower; | Disclosures as specified in Annexure A |
| | (b)if the transactions whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification) exceeds Rs.10 Crore or 1% of NTPC's last audited consolidated turnover, whichever is lower; | Disclosures in accordance with Annexure B (Industry Standards) , as detailed below: |

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| | (i) all Related Party Transactions | Disclosures as specified in Part A of Annexure B (Industry Standards) |
| | (ii) Specific type of RPTs as mentioned in Part B of Annexure B | Disclosures as specified in Part A and Part B of Annexure B (Industry Standards) |
| | (iii) Specific type of RPTs (as mentioned in Part C of Annexure B), proposed to be undertaken is a Material RPT (as defined under Clause 3(vii) of this Policy). | Disclosures as specified in Part A, Part B and Part C of Annexure B (Industry Standards) |
| 3 | For transactions above Rs. 1 crore , to be entered into between Subsidiaries and Related Parties, where NTPC is not a party , and the value of such transaction, exceeds the lower of the criteria mentioned in the clause 4(B) of this policy. In such cases, disclosures to the Audit Committee of NTPC shall be given as under: | |
| | (a) If the transactions whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification) upto Rs.10 Crore or 1% of NTPC's last audited consolidated turnover, whichever is lower; | Disclosures as specified in Annexure A |
| | (b) if the transactions whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification) exceeds Rs.10 Crore or 1% of NTPC's last audited consolidated turnover, whichever is lower; | Disclosures in accordance with Annexure B (Industry Standards) , as detailed below: |
| | (i) all Related Party Transactions | Disclosures as specified in Part A of Annexure B (Industry Standards) |
| | (ii) Specific type of RPTs as mentioned in Part B of Annexure B | Disclosures as specified in Part A and Part B of Annexure B (Industry Standards) |
| | (iii) Specific type of RPTs (as mentioned in Part C of Annexure B), proposed to be undertaken is a Material RPT (as defined under Clause 3(vii) of this Policy). | Disclosures as specified in Part A, Part B and Part C of Annexure B (Industry Standards) |
| Notes: | | |
| <ol style="list-style-type: none"> For certain types/categories of Related Party Transactions, exemptions as provided under Clause 5 of this Policy, read with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall be referred to and applied, as applicable. Annexure B refers to the <i>Industry Standards on "Minimum Information to be Provided to the Audit Committee and Shareholders for Approval of Related Party Transactions" (Industry Standards)</i>, issued in terms of SEBI circulars and prescribes disclosure requirements based on the nature and materiality of the transaction. | | |

3. Guidelines for placing information to the Audit Committee as mentioned in the Annexure-B (Industry Standard) shall be followed as applicable.

4.1.2 Omnibus Approval and Criteria thereof

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

1. Transactions are **frequent/regular/repetitive** in nature and are in the normal course of business of the Company.
2. The Audit Committee shall satisfy itself the need for such omnibus approval in the best interest of the Company.
3. The maximum aggregate value of all transactions taken together in a financial year with a related party which can be approved under omnibus route in a financial year, shall not exceed the material threshold limit of NTPC, determined in accordance with schedule XII of the SEBI (LODR) Regulations, 2015 or as amended from time to time.
4. Omnibus approval shall specify:
 - (i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that can be entered into,
 - (ii) the indicative base price/current contracted price and the formula for variation in the price, if any, and
 - (iii) such other conditions as the Audit Committee may deem fit.

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. One Crore per transaction.

5. The Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Company or its subsidiary as applicable pursuant to each of the omnibus approval given.
6. The omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of the financial year.
7. The Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

4.1.3 Consideration by the Audit Committee

While approving, the Audit Committee may, inter-alia, consider the following factors:

- a. all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party.

- b. whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis, at the time of entering into the transaction.
- c. business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any.
- d. whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or KMP of the Company.
- e. any other matter the Audit Committee deems relevant.

The Audit Committee may, at its discretion, comment on information provided by the management. Such comments and the rationale for not approving a RPT shall be recorded in the minutes of the meeting of the Audit Committee.

The Audit Committee may seek any additional information from the management, as it deems necessary and reasonable, to evaluate the proposed RPT.

4.1.4 Review by the Audit Committee

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

4.2 Approval of the Board and Shareholders – Mechanism

4.2.1 Under the Companies Act, 2013

In case of specified Related Party Transaction(s) as per section 188(1) of the Companies Act, 2013 read with applicable Rules under the Companies Act, 2013 as amended and as mentioned in the table below, prior approval of Board and/or Shareholders is required as per the following:

- a. **Prior approval of the Board at a meeting** - Transactions which are not in ordinary course of business or not on arm's length basis.
- b. **Prior approval of the Shareholders, by way of resolution** - Transactions which are not in ordinary course of business or not on arm's length basis and beyond the following threshold limits:

| S. No. | Specified RPT(s) u/s 188(1) of the Companies Act, 2013 | Threshold limits for approval of Shareholders |
|---------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | sale, purchase or supply of any goods or materials, directly or through appointment of agent, | amounting to ten percent or more of the turnover of the company, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188 of the Companies Act, 2013. |

| | | |
|-----------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| b) | selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent | amounting to ten percent or more of net worth of the company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188 of the Companies Act, 2013. |
| c) | leasing of property of any kind | amounting to ten percent or more of the turnover of the company, as mentioned in clause (c) of sub- section (1) of section 188 of the Companies Act, 2013. |
| d) | availing or rendering of any services, directly or through appointment of agent | amounting to ten percent or more of the turnover of the company as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188 of the Companies Act, 2013. |
| e) | such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company | at a monthly remuneration exceeding two and a half lakh rupees. |
| f) | remuneration for underwriting the subscription of any securities or derivatives thereof, of the company | exceeding one percent of the net worth. |

Explanation(s):

- Limits specified in sub-clauses a) to d) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.
- Turnover or net worth shall be computed on the basis of the audited financial statement of the preceding financial year.

4.2.2 Under SEBI (LODR) REGULATIONS 2015.

All Material Related Party Transactions and material modifications thereof require the prior approval of the shareholders, by way of resolution. However, the same shall be put up to the Board for its approval at its meeting before the approval of shareholders.

Provided further that the omnibus approval granted by the shareholders for material related party transactions in the AGM will remain valid only until the next AGM held within the timelines prescribed under Section 96 of the Companies Act, 2013 or rules, notifications, or circulars issued thereunder from time to time.

Provided further that in case of omnibus approvals for material related party transactions, granted by shareholders in general meetings other than AGM will be valid for a maximum of one year from the date of approval.

4.2.3 Voting

No related party shall vote on such resolutions irrespective of whether the entity is a related party to the particular transaction or not.

4.2.4 Details to be provided to the Board

| S. No. | Particulars | Information/Disclosures to be provided |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | For transactions to be entered into between NTPC and its Subsidiary which are not in ordinary course of business or not on arm's length basis | Disclosures as specified under Annexure A |
| 2 | <p>For transactions to be entered into between NTPC and Related Parties other than its subsidiary:</p> <p>(a) If the transactions whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification) which are not in ordinary course of business or not on arm's length basis and upto Rs.10 Crore or 1% of NTPC's last audited consolidated turnover, whichever is lower;</p> <p>(b) if the transactions whether individually or taken together with previous transaction(s) during a financial year (including transaction(s), which are not in ordinary course of business or not on arm's length basis, which are approved by way of ratification) exceeds Rs.10 Crore or 1% of NTPC's last audited consolidated turnover, whichever is lower;</p> <p>(i) all Related Party Transactions</p> <p>(ii) Specific type of RPTs as mentioned in Part B of Annexure B</p> <p>(c) In case of Material RPTs as defined in clause 3(vii) of the policy</p> | <p>Disclosures as specified under Annexure A</p> <p>Disclosures in accordance with Annexure B (Industry Standards), as detailed below:</p> <p>Disclosures as specified in Part A of Annexure B (Industry Standards)</p> <p>Disclosures as specified in Part A and Part B of Annexure B (Industry Standards)</p> <p>Disclosures as specified in Para 5 of Annexure-B (to the extent applicable)</p> |
| 3 | For Material Related Transactions as defined in clause 3(vii) of the policy, to be entered into between Subsidiaries and Related Parties, but NTPC is not a Party | Disclosures as specified in Para 5 of Annexure-B (to the extent applicable) |

Notes to be read with aforesaid Clauses:

1. For certain types/categories of Related Party Transactions, exemptions as provided under **Clause 5 of this Policy**, read with the provisions of the **Companies Act, 2013** and **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, shall be referred to and applied, as applicable.
2. **Annexure B** refers to the *Industry Standards on “Minimum Information to be Provided to the Audit Committee and Shareholders for Approval of Related Party Transactions” (Industry Standards)*, issued in terms of **SEBI circulars** and prescribes disclosure requirements based on the nature and materiality of the transaction.

4.2.5 Details to be provided to Shareholders.

| S. No. | Particulars | Information/Disclosures to be provided |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| 1 | For Material Related Party transactions as defined under clause 3(vii) or for transactions as specified in clause 4.2.1(b) of this policy , to be entered into between NTPC and Related Parties | Disclosures as specified in Para 5 of Annexure-B |
| 2 | For Material Related Party transactions as defined under clause 3(vii), to be entered into between Subsidiaries and Related Parties, but NTPC is not a Party | |

Notes to be read with aforesaid Clauses:

1. For certain types/categories of Related Party Transactions, exemptions as provided under **Clause 5 of this Policy**, read with the provisions of the **Companies Act, 2013** and **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, shall be referred to and applied, as applicable.
2. **Annexure B** refers to the *Industry Standards on “Minimum Information to be Provided to the Audit Committee and Shareholders for Approval of Related Party Transactions” (Industry Standards)*, issued in terms of **SEBI circulars** and prescribes disclosure requirements based on the nature and materiality of the transaction.

4.3 Summary of the approval mechanism under SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

| Details of Transaction(s) | Approving Authority |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| For NTPC Limited | |
| All related party transactions (other than those mentioned at para 5 below) and any subsequent material modifications to the contracts / arrangements | Prior approval of the Audit Committee of the Company. <i>(Including Omnibus Approval for a maximum period of one financial year)</i> |

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|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>RPTs u/s 188 of the Companies Act, 2013 which are not in Ordinary Course of Business or not on arm's length basis or both and less than threshold limits of materiality.</p> | <p>Prior Approval of the Audit Committee and Board of Directors of the Company.</p> |
| <p>RPTs at 4.2.1 above which are in not in ordinary course of business or not on arm's length basis or both and beyond threshold limits.</p> | |
| <p>Material RPTs at 4.2.2 above</p> | <p>Prior Approval of the Audit Committee, Board of Directors and Shareholders of the Company.</p> |
| <p>For Unlisted Subsidiaries of NTPC Limited</p> <p>(A) 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 NTPC is a party but NTPC is not a party, exceeds the value prescribed under para B of Clause 4 of the Policy.</p> <p>(B) In case of material RPT</p> | <p>(A) Prior approval of the Audit Committee of NTPC Limited. <i>(Including Omnibus Approval for a maximum period of one financial year)</i></p> <p>(B) Prior approval of the Shareholders of NTPC Limited. <i>(Including Omnibus Approval for a maximum period till next AGM and in case approval granted in General Meeting, for a maximum period of one year from the date of approval)</i></p> |

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

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

| Particulars | Exemption |
|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The requirement of approval of the Audit Committee as per the Companies Act, 2013</p> | <ul style="list-style-type: none"> For a transaction, other than a transaction referred to in section 188 of the Companies Act, 2013, between a holding company and its wholly owned subsidiary company i.e. transaction with wholly owned subsidiary companies if the same is in the ordinary course of business and at arms' length basis |

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The requirement of passing the resolution by the shareholders as per the Companies Act, 2013</p> | <ul style="list-style-type: none"> For transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval. To a government company in respect of contracts or arrangements entered into by it with any other Government company. |
| <p>The requirement of the Board approval</p> | <ul style="list-style-type: none"> If the transactions are at arms' length and in the ordinary course of business. |
| <p>The requirement of approval of the Audit Committee and the Shareholders for RPTs requiring approval under the SEBI (LODR) Regulations 2015</p> | <ul style="list-style-type: none"> For transactions entered into between a listed holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval. Transactions entered into between two public sector companies Transactions entered into between two wholly owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval. In cases where the subsidiary is a listed entity and Regulations 23 and 15(2) of the SEBI (LODR) Regulations, 2015 are applicable to such listed subsidiary. Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand. Transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand. |

| | |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> • <i>Remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material in terms of the clause 3 (vii) of the Policy.</i> |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

b) **Other Exemptions** – The following Related Party Transactions are deemed to be approved by the Audit Committee and no separate approval shall be required:

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

6. Related party transactions not approved under this policy

a) Subject to the provisions of the Act, SEBI (LODR) Regulations 2015 and other applicable laws, in the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction.

b) In case of transactions requiring approval of the Audit Committee as per SEBI (LODR) Regulations, 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
- (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
- (v) any other condition as specified by the audit committee:

In case of 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.

c) Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

d) In any case where either the Audit Committee/Board/Shareholders determines not to ratify a Related Party Transaction that has been commenced without approval, may direct additional actions including, but not limited to, seeking fresh approvals, discontinuation of the transactions, or modification of the transaction to make it acceptable for ratification. In connection with any review of a Related Party Transaction, the Audit Committee/Board/ Shareholders has authority to modify or waive any procedural requirements of this Policy in the best interest of the Company.

7. Disclosures

a) Every contract or arrangement entered with Related Parties with the approval of Board / Shareholders in line with Section 188 of the Companies Act 2013 shall be referred in the Board's Report to the shareholders along with the justification for entering into such contract or arrangements.

- b) The Company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.
- c) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large in the Corporate Governance Report.
- d) Disclosures in the financial statements as required under Ind AS 24.
- e) The Company shall keep one or more registers giving separately the particulars of all contracts or arrangements with any related party as required under the Companies Act, 2013.
- f) The Company shall in every six months on the date of publication of its standalone and consolidated financial results or other prescribed time as may be decided by the SEBI submit to the stock exchanges disclosures of related party transactions in the format as specified by the SEBI from time to time and publish the same on its website.

8. Transfer Pricing Regulations

All related party transactions shall, wherever applicable, comply with Domestic/ International Transfer Pricing requirement of Income Tax Act, 1961 including certification from independent accountants under the Transfer Pricing Regulations and as per Section 188(1)(b) of the Companies Act, 2013 that defines an "arm's length transaction" as one conducted "as if the two parties were unrelated and dealing with each other at arm's length under comparable circumstances. It will be the responsibility of the concerned department/management to ascertain that all the transactions are at arm's length as defined herewith before submitting the same for approval to the Audit Committee.

9. Authority to Amend the policy

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

10. Disclaimers

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

11. Review of the Policy

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

Annexure – A

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

- a. Type, material terms and particulars of the proposed transaction, contract, or arrangement.
- b. Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise).
- c. Nature and Tenure of the proposed transaction (particular tenure shall be specified).
- d. Value, maximum amount and any advance paid or received of the proposed transaction, contract, or arrangement.
- e. Manner of determining the pricing (indicative base price / current contracted price and the formula for variation in the price, if any) and other commercial terms, both included as part of contract and not considered as part of the contract.
- f. The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided).
- g. If the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity or its subsidiary:
 - (i) details of the source of funds in connection with the proposed transaction.
 - (ii) where any financial indebtedness is incurred to make or give loans, 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 RPT.
- h. Justification as to why the RPT is in the interest of the listed entity.
- i. A copy of the valuation or other external party report, if any such report has been relied upon.
- j. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis.
- k. Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- l. Any other information that may be relevant.

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

Date: June 26, 2025

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| 4. | Minimum Information to be provided to the Audit Committee for approval (including ratification) of RPTs. PART A. Minimum information of the proposed RPT, applicable to all RPTs. (Para A1 to A5) | [7] |
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EXECUTIVE SUMMARY

1. In accordance with the provisions of Regulation 23(2), (3) and (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), prior approval of the Audit Committee and shareholders, as the case may be, is required for the Related Party Transactions¹ (“**RPTs**”).
2. The objective of these RPT Industry Standards is to provide a standard format for minimum information to be provided to the Audit Committee and Shareholders (as applicable) for review and approval of RPT.
3. Accordingly, the Industry Standards Forum (“ISF”) comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, formulated standards for “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction (“**Industry Standards**”), in consultation with SEBI, which were notified vide SEBI Circular dated February 14, 2025 and effective from April 01, 2025. On receipt of feedback from various stakeholders requesting extension of timeline for applicability of the Industry Standards, SEBI notified that the effective date of the Circular shall be July 01, 2025.
4. Further, stakeholders also requested for simplification of the Industry Standards. SEBI, accordingly, advised the ISF to take into consideration such feedback and review the Industry Standards. Such revised Industry Standards (referred as “**RPT Industry Standards**”) have been now finalized by the ISF, in consultation with SEBI, which will substitute the Industry Standards notified by SEBI vide Circular dated February 14, 2025, and are structured as under:
 - **Part A:** This Part of the Standards captures the minimum information of the proposed RPT and is **applicable to all RPTs**.
 - **Part B:** This Part is **applicable only if a specific type of RPT is proposed to be undertaken** and is in addition to Part A. *Seven types of RPTs have been specified.*
 - **Part C:** This Part is **applicable only if a specific type of RPT proposed to be undertaken** is a Material RPT as defined under Regulation 23(1) & (1A) of the LODR Regulations (“**Material RPTs**”); and is in addition to Part A and Part B (with respect to such RPT).

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

5. The minimum information to be provided to the shareholders for approval of Material RPTs is specified in **Para 5**.

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

Note:

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

1. Applicability of the RPT Industry Standards:

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

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

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

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

3. Guidelines for placing information to the Audit Committee:

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

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

PART A

Minimum information of the proposed RPT, applicable to all RPTs

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

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

A(1).

Basic details of the related party

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

A(2).

Relationship and ownership of the related party

| S. No. | Particulars of the information | Information provided by the management |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| 1. | <p>Relationship between the listed entity/subsidiary¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:</p> <ul style="list-style-type: none"> Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary). Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary). <p>Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity/Subsidiary/ related party has control².</p> <p>While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.</p> | |

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

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

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

A(3).

Details of previous transactions with the related party

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

A(4).

Amount of the proposed transaction(s)

| S. No. | Particulars of the information | Information provided by the management | | | | | | | | |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------|----------|--|------------------|--|-----------|--|--|
| 1. | Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders. | | | | | | | | | |
| 2. | Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT? | Yes or No? | | | | | | | | |
| 3. | Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year | % | | | | | | | | |
| 4. | Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction) | % | | | | | | | | |
| 5. | Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available. | % | | | | | | | | |
| 6. | <p>Financial performance of the related party for the immediately preceding financial year:</p> <table border="1" data-bbox="313 1214 1041 1457"> <thead> <tr> <th>Particulars</th><th>FY 20xx-20xx (INR)</th></tr> </thead> <tbody> <tr> <td>Turnover</td><td></td></tr> <tr> <td>Profit After Tax</td><td></td></tr> <tr> <td>Net worth</td><td></td></tr> </tbody> </table> <p><i>Explanations:</i> <i>The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</i></p> | Particulars | FY 20xx-20xx (INR) | Turnover | | Profit After Tax | | Net worth | | |
| Particulars | FY 20xx-20xx (INR) | | | | | | | | | |
| Turnover | | | | | | | | | | |
| Profit After Tax | | | | | | | | | | |
| Net worth | | | | | | | | | | |

A(5).

Basic details of the proposed transaction

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

PART B

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

B(1): Sale, purchase or supply of goods or services or any other similar business transaction and trade advances

B(2): Loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary

B(3): Investment made by the listed entity or its subsidiary

B(4): Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary.

B(5): Borrowings by the listed entity or its subsidiary

B(6): Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate¹.

B(7): Transactions relating to payment of royalty

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

B(1).

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

| S. No. | Particulars of the information | Information provided by the management |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| 1. | Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services. | |
| 2. | Basis of determination of price. | |
| 3. | In case of Trade advance (<i>of upto 365 days or such period for which such advances are extended as per normal trade practice</i>), if any, proposed to be extended to the related party in relation to the transaction, specify the following: <ul style="list-style-type: none"> a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating? | |

B(2).

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

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

B(3).

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

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

B(4).

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

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

B(5).

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

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

B(6).

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

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

B(7).

Disclosure only in case of transactions relating to payment of royalty

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

PART C

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

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

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

C(1).

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

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

C(2).

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

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

C(3).

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

| S. No. | Particulars of the information | Information provided by the management |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| 1. | <p>If guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter is given in connection with the borrowing by a related party, provide latest credit rating of the related party</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> a. <i>Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i> b. <i>This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i> | |
| 2. | <p>Details of solvency status and going concern status of the related party during the last three financial years:</p> <p><i>FY 20xx-20xx</i></p> <p><i>FY 20xx-20xx</i></p> <p><i>FY 20xx-20xx</i></p> | |
| 3. | <p>The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee)-surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.</p> | |
| 4. | <p>Default on borrowings, <i>if any</i>, over the last three financial years, by the related party from the listed entity or any other person.</p> <p><i>Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i></p> | |

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

C(4).

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

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

C(5).

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

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

C(6).

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

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

| <p>5. Peer Comparison:</p> <p>Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any relevant Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:</p> | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|------------------|------------------|------------------|--|
| | Listed Entity / Subsidiary | Peer 1 | Peer 2 | Peer 3 | |
| | Royalty payment over last 3 years | Aggregate amount | Aggregate amount | Aggregate amount | |
| | Royalty paid as a % of net profits over the last 3 years | % | % | % | |
| | Annual growth rate of Turnover over last 3 years | % | % | % | |

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

- The Listed Entity will compare the royalty payment with a minimum of three suitable and relevant Industry Peers (i.e. apple to apple comparable Industry Peers), where feasible.
- In cases where fewer than three Industry Peers are available, the listed entity will disclose, that only one or two peers are available for comparison.
- If the listed entity is part of any sectoral index, the listed entity is to consider the other constituents of such sectoral index for the purpose of peer comparison which are in similar line of business.
- In case there are no Industry Peers, the Listed Entity shall state that no Industry Peers are available for comparison.

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

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