



ALANKIT LIMITED
POLICY ON RELATED PARTY TRANSACTION

1. Alankit Limited (“Company”) is governed, amongst others, by the Companies Act, 2013 and the rules framed thereunder, as amended (“Act”), and regulations framed by Securities and Exchange Board of India (“SEBI”). The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) has mandated every listed company to formulate a policy on materiality of Related Party Transactions (RPT) and on dealing with Related Party Transactions (“Policy”). Accordingly, the Company has formulated this Policy. This Policy regulates all transactions between the Company and its Related Parties

2. **PURPOSE AND OBJECTIVE**

This policy is framed pursuant to Regulation 23 OF SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 for defining the materiality of related party transactions and on dealing with related party transaction.

Accordingly, the Board of Directors of the Company has approved this Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions based on the recommendations of the Audit Committee of the Company.

The objective of this Policy is to set out:

- (a) The basis of identifying related parties of the Company as well as related party transactions,
- (b) The materiality thresholds for related party transactions and
- (c) The manner of entering into transactions between the Company and its related parties based on the Act, SEBI Listing Regulations and any other laws and regulations as may be applicable to the Company

3. **DEFINITIONS:**

“Act” shall mean the Companies Act, 2013 and Rules made thereunder including any amendments thereof.

“Arm’s length transaction” means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest.

“Ordinary course of business” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association.

“Related Party” means a related party as defined under Section 2(76) of the Act read with Rules made thereunder and Regulation 2(1)(zb) of the Listing Regulations including any amendments thereof.

“Committee” shall mean Audit Committee.

“Related Party Transaction” (‘RPT’) means all the transactions between the Company on one hand and one or more related party/ parties on the other hand including contracts, arrangements and transactions as envisaged in Section 188(1) of the Companies Act, 2013 and/ the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Material Modification” means any subsequent change / variation / modification to an existing Related Party Transaction which were approved by the Audit Committee or Board or the Shareholders of the Company, as the case maybe, and having variance of 25% of the existing limit/value.

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

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

3. POLICY FOR IDENTIFICATION OF RELATED PARTIES:

- a) Identify all transactions which fall within the ambit of related party transactions both as per provision of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and Rules made thereunder.
- b) To Prepare Complete list of Related Party Transaction in specific format.
- c) To seek necessary approvals of Audit Committee/Board/Shareholders as may be necessary, after providing necessary information in the prescribed manner.

While according such approval(s), the Related Party transactions are to be considered as appropriate if they are in the interest of the Company and other stakeholders.

- d) To make necessary disclosure in the Directors Report as well as on the website of the Company.

4. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTION:

Every promoter, director and key managerial personnel (KMP) of the Company and its subsidiaries/ Joint venture shall, at the time of appointment;

a) Periodically – as required by the Company or applicable law

b) Whenever there is any change in the information already submitted,

Provide requisite information about his / her Relatives and all firms, companies, body corporates, or other association of individuals, in which such promoter, director or KMP is interested, whether directly or indirectly, to the Company or the subsidiary/ Joint venture (as the case may be). Every such promoter, director and KMP shall also provide any additional information about the transaction that the Board /Audit Committee may reasonably request.

The company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Company Secretary has adequate time to obtain and review information about the proposed transaction and to refer it to the Audit Committee for its prior approval in terms of Listing Regulations. Any subsequent modification of transactions of the Company with related parties will also require approval of Audit Committee.

5. MATERIALITY OF RELATED PARTY TRANSACTION

As per regulation 23 of SEBI (Listing obligations and Disclosure Requirements) Regulation 2015, a transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year the threshold limit.

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

6. APPROVAL OF AUDIT COMMITTEE

- All related party transactions and subsequent material modifications shall require prior approval of the audit committee.
- Only those members of the audit committee, who are independent directors, shall approve related party transactions.
- The Audit Committee of the Company shall define “material modifications” and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions.
- A Related Party Transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction, exceeds the lower of the following:

- (i) Ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- (ii) The threshold for material Related Party Transactions.
- In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a listed entity is a party but the listed entities not a party and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the listed entity shall be obtained if the value of such transaction exceeds the lower of the following:(i) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or(ii) the threshold for material related party transactions of listed entity
 - Prior approval of the audit committee of the listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party
 - 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
 - Audit committee may grant omnibus approval for related party transactions proposed to be entered into by the listed entity [or its subsidiary]subject to the following conditions, name the audit committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the listed entity [or its subsidiary]pursuant to each of the omnibus approvals given.(Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year
 - Alankit Limited Audit committee may grant omnibus approval for related party transactions proposed to be entered into by its subsidiary subject to the following conditions. The details of RPTs shall be reviewed quarterly atleast once in a quarter by the Audit Committee Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:
 - (i) The name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall 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:

7. APPROVAL OF BOARD:

As per section 188 of companies act 2013 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 all Related Party Transaction shall be approved by Board of Directors of company.

8. APPROVAL OF SHAREHOLDERS

- All material related party transactions and subsequent material modifications as defined by the audit committee shall require approval of the shareholders through resolution.
- Provided that prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party.
- For Related Party Transactions of unlisted subsidiaries of a listed subsidiary, the prior approval of the shareholders of the listed subsidiary shall suffice.

9. MINIMUM INFORMATION TO BE PROVIDED

As per SEBI Circular dated 13th October 2025. The Company shall provide The Audit Committee with the information as specified in the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions, while placing any proposal for review and approval of an RPT.

Provided that if a transaction with a related party, whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification), do not exceed 1% of annual consolidated turnover of the listed entity as per the last audited financial statements of the Company or Rupees Ten Crore, whichever is lower, The Company shall provide 'Minimum information to the Audit Committee for approval of Related Party Transactions' specified in Annexure-13A of the circular.

Provided further that the above requirements, shall not be applicable to 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) which does not exceed Rs. One Crore.

10. EXEMPTIONS FROM APPROVAL

The provisions of approval not be applicable in the following cases:

- Transactions entered into between two public sector companies;
- Transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- Transactions entered into between two wholly-owned subsidiaries of the listed

holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

- Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.
- 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

11. AMENDMENT

Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act/Rules/Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and/or amended to that extent, even if not incorporated in this Policy.

12. REVIEW

Any subsequent notification, circular, guidelines or amendments under Companies Act, 2013/SEBI Regulations, Accounting Standards and all other applicable laws, as may be issued from time to time shall be mutatis mutandis applicable, even without any further modification or amendment in this policy. Irrespective of this position.

Effective from date of approval in Audit Committee.
