

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

### **INTRODUCTION**

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The Securities Exchange Board of India (SEBI), on September 2, 2015, notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**").

In accordance with the provisions under Regulation 23(1) of the Listing Regulations, Ravindra Energy Limited (the "**Company**") has adopted a Policy by name "**Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions**" (the "**Policy**") to ensure the proper approval and reporting of transactions between the Company and its Related Parties.

### **OBJECTIVE OF THE POLICY**

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The Board of the Company, after considering the recommendation of the Audit Committee, has adopted this Policy and associated procedures with regard to Related Party Transactions, in line with the requirements of the Companies Act, 2013 and the Listing Regulations, as amended from time to time, respectively.

This Policy is intended to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

### **DEFINITIONS**

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**"Arm's Length Transaction"** means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no question of conflict of interest. The Audit Committee of the Board of Directors may take outside advice/consultation from expert in case of doubt relating to determining whether a transaction has been done at arm's length price.

**"Associate Company"** in relation to another Company, means a Company in which that other Company has a significant influence, but which is not a Subsidiary of the Company having such influence and includes a Joint Venture Company as per sub-section (6) of Section 2 of the Act.

Explanation: For the purpose of Associate Company (i) "Significant Influence" means control of at least 20% (Twenty Percent) of total voting power, or control of or participation in business decisions under an agreement; and (ii) "Joint Venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

**"Control"** shall include the right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner as per sub-section (27) of Section 2 of the Act.

**“Compliance Officer”** means the Company Secretary of the Company.

**“Material Related Party Transaction”** means a transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds specified under Schedule XII to the Listing Regulations.

In accordance the provisions under Regulation 23(1) read with Schedule XII of the Listing Regulations, the threshold for materiality of a related party transaction for the Company ***shall be 10% of the annual consolidated turnover of the listed entity.***

Provided that in case of any amendment to the Act or Regulations, definition of Material Related Party Transactions shall be deemed to be changed without any further approval of Audit Committee or Board.

Notwithstanding the above, 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 individually or taken together with the previous transactions during a financial year exceed 5% of the annual consolidated turnover of the Company as per its last audited Financial Statements.

**“Material Modification”** would mean any modification to the related party transaction which shall result in:

- an impact on the value of the transaction by 20% as compared to the earlier approval granted by the Audit Committee/ Board/ shareholders; or
- the transaction not being at arm’s length; or
- Novation of RPT in favor of another group company, except where such novation is on account of any statutory requirement.

**“Materiality Threshold”** means limits for Related Party Transactions beyond which the Shareholders' approval will be required as specified in the Act and rules thereof and amendments thereto.

**“Net Worth for this Policy”** means the aggregate value of the paid-up Share Capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per sub-section (57) of Section 2 of the Act.

**“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 the Memorandum & Articles of Association. Examples of transactions that the Company would consider to be in the ordinary course of business would include but not limited to –

- The Company had entered into such transactions over the years in the past for furtherance of its business;
- The transaction is carried out at sufficient frequency;

- The transaction was in furtherance of the business of the Company and is consistent with its business objective of augmenting and acquiring newer capabilities;
- The transaction is undertaken on arm's length basis;
- The transactions which form part of the Revenue from Operations, the costs of goods sold and the normal expenses incurred for operating the business (considering the business rationale and without any conflicted terms and conditions as compared to transactions with independent third parties);
- A transaction proposed to be disclosed as part of other income or other expenses, exceptional or extraordinary will generally be assessed on a case to case basis as to whether they could be considered to be in the ordinary course of business;

The Company/Audit Committee may take outside advice/consultation from expert in case of doubt relating to determining whether a transaction has been done at ordinary course of business.

**“Related Party”** means a related party as defined under sub-section 76 of section 2 of the Act and rules prescribed thereunder and as per Regulation 2(1)(zb) of the Listing Regulations.

**“Relative”** means any person as per sub-section (77) of Section 2 of the Act and rules prescribed there under and as per Regulation 2(1) (zd) of the Regulations as amended from time to time.

**“Related Party Transaction”** means a transaction as per Regulation 2(1) (zc) of the Listing SEBI Regulations and as defined under Section 188 of the Companies Act, 2013

All other words and expressions used but not defined in the Policy but defined in the SEBI Act, 1992, the Companies Act, 2013, the SEBI Listing Regulations, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

## **1. APPROVING AUTHORITY**

### **I. AUDIT COMMITTEE:**

#### **Under the Regulations**

- All Related Party Transactions and subsequent Material Modifications as per the Regulations shall require the prior approval of the Audit Committee at a Meeting of the Audit Committee or by way of circulation. Provided that only those members of the Audit Committee who are independent directors, shall approve Related Party Transactions.
- A related party transaction where the value whether entered into individually or taken together with previous transactions during a financial year exceeds Rupees One Crore, to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the Audit Committee of the Company if the value of such transaction exceeds, **the lower of the following:**
  - i. *Ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary; or*

- ii. *The threshold for material related party transaction applicable to the Company in accordance with the provisions under Schedule XII to the Listing Regulations.*
- A related party transaction where the value whether entered into individually or taken together with previous transactions during a financial year exceeds Rupees One Crore, to which the subsidiary of the Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, shall require prior approval of the Audit Committee of the Company if the value of such transaction exceeds, **the lower of the following:**
  - i. *ten per cent of the aggregate value of paid up capital and securities premium account of the subsidiary; or*
  - ii. *The threshold for material related party transaction applicable to the Company in accordance with the provisions under Schedule XII to the Listing Regulations.*
- All the information as specified under the SEBI circular dated June 26, 2025 on the industry standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions (“Industry Standards”) read with the Companies Act, 2013, as amended from time to time shall be placed before the Audit Committee for approval of such related party transactions.

Provided that in respect of transactions with a related party, which 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 Company as per the last audited financial statements of the Company or Rupees Ten Crore, whichever is lower*, the Audit Committee shall be provided with information as specified by SEBI vide circular dated October 13, 2025, as amended from time to time.

Provided further that in case of transactions which are specifically exempt under the provisions of Para 1 (3) of the Industry Standards, the Audit Committee shall be provided with the information as specified under the Companies Act, 2013.

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

#### **Under the Act**

All “Related Party Transactions which are not in Ordinary Course of Business or not at an Arm’s Length” shall require the prior approval of the audit committee of Directors at their Meeting and required compliances prescribed under section 177, 188 of the Companies Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended or ratify within three months from the date on such contract or arrangement was entered into.

#### **II. THE BOARD:**

##### **Under the Regulations**

All Material Related Party Transactions and subsequent Material Modification under the Regulations which are subject to approval of the Shareholders shall require the approval of the Board of Directors at a Meeting of the Board, as required under the Regulations.

#### **Under the Act**

All “Related Party Transactions which are not in Ordinary Course of Business or not at an Arm’s Length” shall require the prior approval of the Board of Directors at a Meeting of the Board and required compliances prescribed under section 188 of the Companies Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended or ratify within three months from the date on such contract or arrangement was entered into.

### **III. SHAREHOLDERS OF THE COMPANY:**

#### **Under the Regulations**

Pursuant to the recommendation by the Audit Committee and the Board, All Material Related Party Transactions and subsequent Material Modifications as per the provisions of the Listing Regulations shall require prior approval of the Shareholders’ by means of a Resolution passed at a General Meeting or through Postal Ballot and all entities falling under the definition of Related Parties shall not vote to approve such resolution irrespective of whether such entity is a party to the particular transaction or not.

Provided that the aforesaid requirement shall not be required for a Related Party transaction to which the listed subsidiary is a party but the Company is not a party, If regulation 23 and sub-regulation (2) of regulation 15 of the Listing Regulations are applicable to such listed subsidiary. For Related Party transactions of unlisted subsidiaries of a Company, the prior approval of the shareholders of the listed subsidiary shall suffice.

The above requirements shall not apply in respect of a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the information as a part of the explanatory statement as specified in the Industry Standards.

Provided that in respect of transactions with a related party, which 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 Company as per the last audited financial statements of the Company or Rupees Ten Crore, whichever is lower*, the notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the information as a part of the explanatory statement as specified by SEBI vide circular dated October 13, 2025 as amended from time to time.

Provided further that in case of transactions which are specifically exempt under the provisions of Para 1(3) of the Industry Standards, the Shareholders shall be provided with information as specified under the Companies Act, 2013

### **Under the Act**

All “Related Party Transactions which are not in Ordinary Course of Business or not at an Arm’s Length” and exceeding the prescribed criteria under Section 188 of the Act shall require prior approval of the Shareholders’.

### **2. OMNIBUS APPROVAL BY THE AUDIT COMMITTEE:**

- (a) As per the terms of reference approved by the Board, the Company may obtain omnibus approval from the Audit Committee for Related Party Transactions in accordance with the Act and the Listing Regulations.
- (b) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval:
  - (i) Repetitiveness/ frequency of the transaction;
  - (ii) Justification for the need of Omnibus Approval.
- (c) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.
- (d) The Audit Committee shall specify the criteria for making the omnibus approval which shall include the following conditions:
  - maximum value of the transactions, in aggregate, which can be allowed under omnibus route in a year;
  - the maximum value per transaction which can be allowed;
  - extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
  - review, at at least on a quarterly basis , Related Party Transactions entered by the Company pursuant to the each of the omnibus approval made;
  - transactions which cannot be subject to the omnibus approval by the Audit Committee.
- (e) The omnibus approval shall specify the following information:
  - Name(s) of the Related Party;
  - Nature of the transaction;
  - Period of transaction;
  - Maximum amount of transactions that can be entered into;
  - The indicative base price/current contracted price and the formula for variation in the price, if any, and
  - Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.
- (f) In such cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 (one) crore per transaction.
- (g) The Audit committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given and such transactions shall be placed before the Board within a period of 3 (three) months from the date of transaction for approval/ ratification by the Audit Committee, if required.

- (h) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

Provided further that the omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid till the date of the next annual general meeting 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 annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

**Specific Approval by the Audit Committee:**

All the transactions that are identified as Related Party Transactions under the scope of this Policy and not covered under Omnibus Approval mechanism shall be placed before the Audit committee for prior approval with the relevant material information of the Related Party Transaction.

**3. EXEMPTION FROM OBTAINING APPROVAL FOR RELATED PARTY TRANSACTION UNDER REGULATIONS**

In accordance with the provisions under the Act and the sub-regulation (5) of Regulation 23 of the Regulations, the following transactions shall be exempt from the approval provisions of the Policy:

- Transactions entered into by the Company its Wholly Owned Subsidiary whose accounts are consolidated with such Holding Company and placed before the Shareholders at the General Meeting.
- Transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the 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 the Company on one hand and the Central Government or any State Government or any combination thereof on the other hand.
- Retail purchases from the Company or its subsidiary by the directors or key managerial personnel of the Company 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.
- Remuneration and sitting fees paid by the Company or its subsidiary to its Director, key managerial personnel or senior management, except who is part of promoter or promoter

group, provided that the same is not material in terms of Regulation 23(1) of the Listing Regulations.

- The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The following corporate actions 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.

#### **4. Ratification of the Related Party Transaction**

The members of the Audit Committee, who are independent directors, may ratify Related Party Transactions *within 3 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:

a. 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 Rs. 1 crore; b. The transaction is not material in terms of the provisions of Regulation 23(1) of the Listing Regulations; c. Rationale for inability to seek prior approval for the transaction is placed before the Audit Committee at the time of seeking ratification; d. Details of ratification is disclosed along with the disclosures of Related Party Transactions in terms of the provisions of Regulation 23(9) of the Listing Regulations; e. Any other condition as may be specified by the Audit Committee.

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

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

The Company is required to disclose in its Annual Financial Statements and Directors' Report, certain transactions between the Company and Related Parties as well as Policy relating thereto, as provided in the Act and Listing Regulations. The Policy shall also be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report of the Company.

The Company shall also in accordance with the provisions under Regulation 23, submit to the stock exchanges, disclosures on related party transactions and publish the same on its website, every six months on the date of publication of its standalone and consolidated financial results.



Provided further that the 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 disclosure provided that the same is not material in terms of the provisions under Regulation 23 read with Schedule XII of the Listing Regulations.

**6. Compliance of the Policy**

The management of the Company, while providing the information to the Audit Committee, shall in addition to information as specified under industry standards, provide Certificate from the Chief Executive Officer (CEO)/Managing Director/Whole Time Director/ Manager and Chief Financial Officer (CFO) of the Company confirming that the terms of RPTs proposed to be entered into are in the interest of the Listed Entity.

**7. Amendment**

The Board shall have power to amend any of the provisions of the Policy, substitute any of the provisions with a new provision or replace the Policy entirely with a new Policy according to subsequent modification(s)/amendment(s) to the Act and Regulations.

*- Updated on December 5, 2025*