SASTASUNDAR VENTURES LIMITED

RELATED PARTY TRANSACTION POLICY

The Board of Directors (the "Board") of Sastasundar Ventures Limited (the "Company") has adopted this Policy upon the recommendation of the Audit Committee and the said Policy includes the materiality threshold and the manner of dealing with Related Party Transactions ("Policy") in compliance with the requirements of Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as the "SEBI (LODR) Reg, 2015"]. Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions.

1.1 OBJECTIVE

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

1.2 DEFINITIONS

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

"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.

"**Associate**" means a company as defined under section 2(6) of the Companies Act, 2013 and as defined by Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements

"**Audit Committee**" means the Committee of the Board formed under section 177 of the Act and Regulation 18 of the SEBI (LODR) Reg, 2015.

"Board" means Board of Directors of the Company

"**Body Corporate**" means an entity as defined in Section 2(11) of the Companies Act, 2013

"Control" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

"Key Managerial Personnel" means key managerial personnel as defined under the Companies Act, 2013 and includes

(i) Managing Director, or Chief Executive Officer or manager and in their absence, a whole-time director;

(ii) Company Secretary; and
(iii) Chief Financial Officer

"Material Related Party Transaction" means the following:
A) a transaction with a related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such other limit in terms of the SEBI (LODR) Reg, 2015 in force from time to time.

Provided that with effect from April 01, 2022, 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 rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

B) 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 two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity."

"Material Modification" of related party transaction will mean and include any modification to an existing related party transaction having an increase or incremental variance of 20% or more of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be (with effect from April 1, 2022).

"Ordinary Course of Business" means transactions that are necessary, normal and incidental to the business, the objects of the Company permit such activity, there is a historical practice and pattern of frequency (not an isolated transaction), has connection with the normal business carried on by the Company.

"Policy" means Related Party Transaction Policy.

"Related party" means, a person or an entity:

(i) which is a related party under Section 2(76) of the Companies Act, 2013 or Regulation 2(1)(zb) of the SEBI (LODR) Reg, 2015; or

(ii) which is a related party under the applicable accounting standards.

Related Party under section 2(76) of the Companies Act, 2013 and Rules made thereunder are as follows:
(i) a director or his relative

(ii) a key managerial personnel or his relative;

(iii) a firm, in which a director, manager or his relative is a partner;

(iv) a private company in which a director or manager or his relative is a member or director;

(v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent. of its paid-up share capital;

(vi) any body 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;

(vii) any person on whose advice, directions or instructions a director or manager is accustomed to act: Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;
(viii) an body corporate which is—

(a) a holding, subsidiary or an associate company of such company; or

(b) a subsidiary of a holding company to which it is also a subsidiary.

(c) An investing company or venture of the Company.

Explanation- for the purpose of this clause, "the investing company or the venture 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.

(ix) Director or Key Managerial Personnel of the Holding Company or his relative; or

(x) Such other persons as may be prescribed by Central Government.

Further, any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party."

Provided that with effect from April 01, 2022, any person or entity forming a part of the promoter or promoter group of the Company or any person or entity, holding equity shares of 20% or more in the Company either directly or on a beneficial interest basis as provided under Section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year shall be deemed to be a related party The threshold shall be 10% from the April 01, 2023.

"**Related Party Transaction**" means transaction in the nature of contract involving transfer of resources, services or obligations between the Company and the Related Party, specifically including transactions under section 177 and section 188 of the Companies Act, 2013, regardless of whether a price is charged.

Further, with effect from April 01, 2022 "related party transaction" would mean a transaction involving a 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;

Further, with effect from April 01, 2023 "related party transaction" would mean a transaction involving a transfer of resources, services or obligations between a 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 and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

"Relative" with reference to a Director or KMP means persons as defined in Section 2(77) of the Act and rules prescribed thereunder.

"**Subsidiary**" means a company as defined in Section 2(87) of the Companies Act, 2013

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI (LODR) Reg, 2015, Securities Contract Regulation Act or any other applicable law or regulation.

2. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

Each director and Key Managerial Personnel is required to give notice of disclosure of interest under section 184 of the Companies Act 2013, along with their list of relatives to the Company. The Company shall collate the data and shall at all times maintain database of Company's Related Parties and shall ensure that no transaction is entered into with any Related Party without requisite approvals.

Further each director, KMP is also responsible for providing notice to the Board or Audit Committee of any potential RPT involving him or her or his or her relative, including any additional information about the transaction that Board/ Audit Committee may reasonably request.

The Company Secretary may refer any potential related party transaction to any external legal/ transfer pricing expert and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee. Based on this Notice, the Company Secretary will take it up for necessary approvals under this Policy.

2.1 FACTORS TO BE CONSIDERED WHILE GRANTING APPROVAL TO RELATED PARTY TRANSACTIONS

The Audit Committee/Board will consider the following factors, among others, to the extent relevant to the RPT while granting the approval-

- Whether the terms of the RPT are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the RPT and the nature of alternative transactions, if any;
- Whether the RPT would affect the independence of an Independent Director;
- Whether the transaction qualifies to be a transaction in ordinary course of business;
- Whether the transaction is in the interest of the Company;

Whether the RPT would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the terms and size of the transaction, the purpose and timing of the transaction, the direct or indirect nature of the transaction, Key Managerial Personnel's or other Related Party's interest in the transaction.

3. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

3.1 Audit Committee

- Every Related Party Transaction and subsequent modifications shall be subject to the prior approval of the Audit Committee whether at a meeting or by a resolution by circulation. Further, only those members of the Audit Committee who are independent directors shall approve related party transactions.

  Every related party transaction to be entered into by the subsidiary of the Company to which the Company is not a party, shall require prior approval of the audit committee of the Company if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the Company (with effect from April 01, 2022); or
  10% of standalone turnover, as per the last audited financial statements of the subsidiary (with effect from April 01, 2023).

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

For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to above, the prior approval of the audit committee of the listed subsidiary shall suffice.

- The Audit Committee shall be provided such details as may be required to assess the RPTs including the information required to be provided as per the Companies Act, 2013 and SEBI (LODR) Reg, 2015:

- All Related Party Transactions and subsequent modifications shall require prior approval of the Audit Committee. However, the Audit Committee may grant omnibus approval for Related Party Transaction(s) proposed to be entered into by the company subject to the following conditions:

(i) The Related Party Transaction proposed to be entered into with the Company must be repetitive in nature and in ordinary course of business and at Arm's Length basis.

(ii) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the company;

(iii) Such omnibus approval shall specify (i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transaction 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 transaction(s) subject to their value not exceeding Rupees One crore per transaction.

(iv) Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.

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

(vi) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

Transaction(s), other than transactions referred to under Section 188 of the Companies Act, 2013, entered into between holding company and its wholly owned subsidiary or between two wholly owned subsidiaries of the Company, whose accounts are consolidated with the Holding Company and placed before the shareholders at General Meetings for approval shall not require approval of the Audit Committee.

Notwithstanding the foregoing the following Related Party Transactions shall not require approval of Audit Committee or shareholders:

(i) Any transaction that involves the providing of compensation to a director or KMP in connection with his or her duties to the Company or any of its subsidiaries or associates including the reimbursement of reasonable business and travel expenses incurred in the Ordinary Course of Business.

(ii) Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

3.2 Board

If the Committee determines that a Related Party Transaction should be brought before the Board, or where Committee does not approve the transaction shall make its recommendation to the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be appropriate under the circumstances.

A Director, if interested in any Related Party Transaction, shall not be present at the meeting, whether physically or through Electronic mode, during discussions and shall not vote on such item.

3.3. Shareholders

All Material Related Party Transactions and any subsequent material modification thereof shall require prior approval of the shareholders through resolution. No related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that prior approval of the shareholders of a Company shall not be required for a related party transaction to which the listed subsidiary is a party but the Company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of SEBI (LODR) Reg, 2015 are applicable to such listed subsidiary.

For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.

All the transactions, other than the Material Related Party Transactions, with the Related Parties which are not in the ordinary course of business or at Arm's Length basis shall also require the approval of the shareholders through resolution, if so required under any law, and the Related Parties shall abstain from voting on such resolution.

Any Related Party Transaction or Material Related Party Transaction if entered into with a Wholly Owned Subsidiary or between two wholly owned subsidiaries of the Company, whose accounts are consolidated with the Holding Company and placed before the shareholders at General Meetings for approval, shall not require approval of the Shareholders.

3.4. Materiality Thresholds:

Regulation 23 of SEBI (LODR) Reg, 2015 requires the Company to provide clear threshold limits duly approved by the Board of Directors for related party transactions.

Materiality Thresholds for related party transactions:
The RPTs which crosses the Materiality thresholds as mentioned below shall be entered by the Company only with prior approval of shareholders of the Company through resolution, as per applicable provisions of the Act and the SEBI (LODR) Reg, 2015, as may be amended from time to time.
1. The Company has fixed its materiality threshold of Rs. 1000 crore or 10% of the annual consolidated turnover of the Company as per last audited financial statements of the company for the purpose of Regulation 23 (4) of SEBI (LODR) Reg, 2015, whichever is lower.
2. Any other Related Party Transaction shall be placed before the Shareholders for approval, as per the threshold limits mentioned and in terms of the provisions of Section 188 of the Companies Act, 2013 read with relevant Rules.

4. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a RPT with a Related Party that has not been approved as per this Policy, the matter shall be reviewed by the Audit Committee. The Committee shall consider all of the relevant facts and circumstances regarding the RPT, and shall evaluate all options available to the Company, including ratification by it or recommending the Board for their ratification or seeking approval of Shareholders, revision or termination of the RPT. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such RPT to the Committee under this Policy, and shall take any such action it deems appropriate.

The Committee has authority to modify or waive any procedural requirements of this Policy.

Following transactions not to be considered as Related Party Transactions:

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee, Board of Directors or Shareholders:

a. Any transaction that involves the providing of compensation in connection with his or her duties to the Company or to any of its subsidiaries or associates, including the reimbursement of a reasonable business and travel expenses incurred in the ordinary course of business.
b. Reimbursement made of expenses incurred by a Related Party for business purpose of the Company, or Reimbursement received for expenses incurred by the Company on behalf of a Related Party.

c. Reimbursement of pre-incorporation expenses incurred by or on behalf of a Related Party.
d. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

e. Any other exception which is consistent with the Applicable Laws, including any rules or regulations made thereunder, and does not require prior approval by the Audit Committee.

f. Transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

g. 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.

5. APPROVAL BY CIRCULAR RESOLUTION OF THE COMMITTEE

In the event the Company Management determines that it is impractical or undesirable to wait until a meeting of the Committee to enter into a Related Party Transaction, such transaction may be approved by the Committee by way of circular resolution in accordance with this Policy and statutory provisions for the time being in force. Any such approval must be ratified by the Committee at its next scheduled meeting.

6. SCOPE LIMITATION

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

7. CONSEQUENCES OF NON-COMPLIANCE OF SUCH POLICY FOR ANY RELATED PARTY TRANSACTION

Non-compliance of this Policy may lead to initiation of disciplinary proceedings against the employee. Details of such disciplinary proceedings will form part of the personal file of such employee and will be considered as a default on his or her key responsibilities.

The particulars of contracts or arrangement with related parties referred in section 188(1) of the Companies Act 2013 should be disclosed in the Directors Report for the financial years commencing on or after April 1, 2014.

All material related party transactions that are entered into with effect from October 1, 2014, to be disclosed quarterly along with the compliance report on corporate governance pursuant to the requirements of the SEBI (LODR) Reg, 2015.

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.

This revised Policy has superseded the existing Policy on Related Party Transactions, with effect from February 14, 2025.

8. REVIEW AND AMENDMENT OF THE POLICY

Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the SEBI (LODR) Reg, 2015 and/or any other laws in this regard shall automatically apply to this Policy. The Board of Directors on recommendation of the Audit Committee shall review the policy atleast once in every three years. However, the Board of Directors reserves its right to amend or modify the policy in whole or in part, at any time without assigning any reason whatsoever.

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