

Related Party Transactions Policy

*Adopted by the Board of Directors of IP Rings Limited
("The Company") with effect from February 12, 2026.*

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1. **INTRODUCTION:**

In terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company have adopted this Policy on Related Party Transactions, based on the recommendation of the Audit Committee. This policy will be reviewed and updated by the Board of Directors once every three years.

2. **SCOPE AND PURPOSE:**

- 2.1 This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable to the Company and also provides for materiality of related party transactions.
- 2.2 The policy is framed based on the applicable legislations intended to ensure the proper approval, disclosure and reporting requirements of transactions between the Company and its Related Parties.

3. **DEFINITIONS:**

- 3.1 **“Audit Committee” or “Committee”** means the Audit Committee as constituted by the Board of Directors of the Company under applicable law.
- 3.2 **“Board” or “Board of Directors”** means the Board of Directors of the Company as constituted from time to time.
- 3.3 **“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.
- 3.4 **“Key Managerial Personnel”** mean key managerial personnel as defined under Section 2(51) of the Act.
- 3.5 **“Related Party”** means such person or entity who is a related party under the Companies Act, 2013, SEBI Regulations, the applicable accounting standards and other applicable legislations, if any.
- 3.6 **“Related Party Transactions”** means a transaction involving transfer of resources, services or obligations between
 - (i) the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand, with effect from April 01, 2022; or
 - (ii) the Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries, with effect from April 01, 2023; 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; and
 - (iii) such other transactions as may be prescribed under the Companies Act, 2013, SEBI Regulations, the applicable accounting standards and other applicable legislations, if any.

3.7 **“RPT Industry Standards”** refers to Industry Standards on “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction” formulated by Industry Standards Forum (“ISF”) comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, in consultation with SEBI.

3.8 **“Material Related Party Transaction”** 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 company, whichever is lower.

Provided that 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.

3.9 **“Material Modification”** shall mean any modification to the related party transaction(s) which shall result in change / impact on the transaction value by 25% which was already approved by the Audit Committee / Board / shareholders respectively or not at arm’s length or such other circumstances making it not in the ordinary course of business and at arm’s length basis.

3.10 **“Ordinary Course of Business”** means all such acts and transactions undertaken by the company, including, but not limited to sale or purchase of goods, property or services, leases, transfers, providing of guarantees or collaterals, in the ordinary course of its trade or business.

4. MATERIAL RELATED PARTY TRANSACTION

- i. a transaction with a Related Party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs 1000 crores or ten percent of the annual consolidated turnover of the Company as per latest audited financial statements of the Company, whichever is lower.
- ii. 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.] is a material Related Party transaction.

5. APPROVAL OF RELATED PARTY TRANSACTIONS BY AUDIT COMMITTEE:

All Related Party Transactions (RPTs) and subsequent material modifications must be reported to the Audit Committee (“the Committee”) and referred for approval of the Committee in accordance with the policy.

Wherever the approval of Audit Committee is required for Related Party Transactions and subsequent material modifications, it shall be approved only by those members of the Committee, who are independent directors. In case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the omnibus approval may be granted, as detailed in this policy.

6. APPROVAL OF RELATED PARTY TRANSACTIONS BY THE BOARD:

The Audit Committee may determine any Related Party Transaction for review by the Board. The Board shall consider and approve such Related Party Transaction at a meeting.

Any member of the board who has a potential interest in any Related Party Transaction will abstain from discussion and voting on the approval of the Related Party Transaction.

7. APPROVAL OF THE SHAREHOLDERS:

All material Related Party Transactions that are to be entered into individually or taken together with previous transactions during the financial year and subsequent material modification(s) that exceed the thresholds specified in Scheduled XII, mentioned below shall require prior approval of the shareholders of the Company and no related party shall vote to approve such resolution.

THRESHOLD FOR MATERIAL RELATED PARTY TRANSACTIONS AS PER SCHEDULE XII:

CONSOLIDATED TURNOVER OF THE COMPANY	THRESHOLD
Up to ₹ 20,000 Crore	10% of the annual consolidated turnover of the listed entity
More than ₹20,000 Crore to up to ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
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

All the Transactions, other than the Material Related Party Transaction, with the related parties which are not in the Ordinary Course of Business and at Arms’ Length Basis shall also require the approval of the shareholders through resolution if it exceeds the limits specified under Section 188 of the Companies Act, 2013, rules and regulation notified thereunder and SEBI LODR from time to time.

8. TRANSACTIONS NOT REQUIRING APPROVAL [EXEMPTED TRANSACTIONS]

The following shall not be construed as related party transaction;

- a. The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The following corporate actions by the Company which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. Payment of dividend;
 - ii. Subdivision or consolidation of securities;
 - iii. Issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities.
- c. remuneration and sitting fees paid by the company or its subsidiary to 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 as per this policy.

The transactions entered between the following shall be exempted from approval of Audit Committee, Board and shareholders, as the case may be;

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

9. OMNIBUS APPROVAL:

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company or its unlisted subsidiary subject to the following conditions;

- a) the audit committee shall lay down the criteria for granting the omnibus approval in line with the policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.

- b) the audit committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the listed entity.
- c) the omnibus approval shall specify the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into, the indicative base price / current contracted price and the formula for variation in the price if any, such other conditions as the audit committee deem fit.
- d) 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 rupees one crore per transaction.
- e) the audit committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the company or its subsidiary pursuant to each of the omnibus approvals given.
- f) The omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

10. RATIFICATION OF RELATED PARTY TRANSACTIONS:

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.

- 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 rupees One crore.
- b) the transaction is not material as defined in this policy.
- c) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification.
- d) any other condition as specified by the audit committee.

11. DISCLOSURE REQUIREMENTS:

The Company shall submit to the stock exchanges, disclosures of related party transactions and publish the same on the website, in the manner prescribed under SEBI LODR from time to time.