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5	30.01.2026	Amendment	Senior Manager and Asst CS	President (Corp. Affairs, Legal & CS)	BOD
4	09.02.2023	Amendment	Manager and Asst CS	President (Corp. Affairs, Legal & CS)	BOD
3	14.02.2022	Amendment	Senior Manager and Asst CS	President (Corp. Affairs, Legal & CS)	BOD
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Owner: President – Corporate Affairs, Legal and Company Secretary

POLICY ON MATERIALITY AND DEALING WITH RELATED PARTY TRANSACTIONS

I. PREAMBLE

SEAMEC Limited (the 'Company') recognizes that Related Party Transactions (as defined below) can create potential or actual conflicts of interest and may raise questions as to whether such transactions are in the best interest of the Company and its shareholders. Therefore, this policy has been adopted by the Company's Board of Directors, to ensure high standards of Corporate Governance while dealing with Related Parties (as defined below) and sets the procedures under which Related Party transactions must be reviewed, approved or ratified and reported.

Accordingly, pursuant to the Section 188 of the Companies Act, 2013 (‘the Act’), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Listing Agreement) (‘the Listing Regulations’), the Board of Directors adopted this policy in order to set forth the procedures under which certain transactions must be reviewed and approved or ratified, as permitted. The Audit Committee shall review significant related party transactions, submitted to it by the Management, approve and / or recommend for Board and / or shareholders’ approval thereon.

II. DEFINITIONS

- **“Act”** means Companies Act, 2013, as amended from time to time.
- **“Audit Committee or Committee”** means Committee of the Board of Directors of the Company constituted pursuant the Listing 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 Company”** means a Company in which other Company has significant influence, but which is not a subsidiary Company of the other Company having such influence and includes a joint venture company. Significant Influence means control of at least twenty percent of total voting power or control of or participation in business decisions under an agreement.
- **“Board of Director” or “Board”** means the Board of Directors of SEAMEC Limited, as constituted from time to time.
- **“Body Corporate’ or ‘Corporation’** includes a company incorporated outside India, but does not include;
  - → A co-operative society registered under any law relating to co-operative societies; and
  - → Any other body corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf.
- **“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 –
  a. Managing Director, or Chief Executive Officer or Manager
  b. Company Secretary
  c. Whole-time Director
  d. Chief Financial Officer
  e. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board
- **“Policy”** means Related Party Transaction Policy.

- **"Ordinary course of business"** would have the meaning as defined by the Institute of Chartered Accountants of India Act, and as per the guidelines and judicial and other pronouncements, as applicable from time to time.

- **"Related Party"** includes related party as defined in Listing Regulations and the Companies Act, 2013 which is as follows:

  An entity shall be considered as related to the Company if:
  (i) Such entity is a related party under Section 2(76) of the Companies Act, 2013 or
  (ii) Such entity is a related party under the applicable accounting standards.
  (iii) Any person / entity belonging to promoter / promoter group irrespective of their shareholding
  (iv) Any person / entity holding equity shareholding of 10% or more w.e.f. April 1, 2023

  Either directly or on beneficial interest basis as defined under section 89 of the Companies Act, 2013 during immediately preceding financial year or at any time.

- **"Related Party Transaction"** means transaction involving transfer of resources, services or obligations between the company and a related party, regardless of whether a price is charged and includes the following transactions:

  a. Sale, purchase or supply of any goods or materials
  b. Selling or otherwise disposing of, or buying, property of any kind
  c. Leasing of property of any kind
  d. Availing or rendering of any services
  e. Appointment of any agent for purchase or sale of goods, materials, services or property
  f. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
  g. Underwriting the subscription of any securities or derivatives thereof, of the company
  h. This shall also include following transactions:
     a) 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 with the purpose and effect to benefit the listed entity or its subsidiary

- **"Relative"** shall mean relative as defined under Section 2(77) of the Companies Act, 2013 and rules prescribed thereunder.

III. KEY PRINCIPLES

A. MEANING OF RELATED PARTY TRANSACTIONS IN DETAIL:

In continuation of the definition of 'Related Party Transactions' stated hereinabove, the following combinations are covered within the meeting of RPTs:

a) Transactions between the company and its related party;
b) Transactions between the company and related party of the subsidiaries;
c) Transactions between the subsidiary and its related party;
d) Transactions between the subsidiary and the related party of the company;
e) Transactions between the subsidiary and the related party of any other subsidiary of the company;

f) Transactions between the company/ subsidiary with unrelated party, purpose and effect of which is to benefit a related party.

The following shall not be considered a related party transaction:

a) Issue of specified securities on a preferential basis, subject to compliance of the requirements under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
b) Following corporate actions, which are uniformly applicable/ offered to all shareholders in proportion to their shareholding:
   - Payment of dividend
   - Sub-division or consolidation of securities
   - Issuance of securities by way of a rights issue or a bonus issue
   - Buy-back of securities
c) Retail purchases from any listed company or its subsidiary by the directors or KMP of the company or its subsidiary, and relatives of such directors or KMP, without establishing a business relationship and at the terms which are uniformly applicable/ offered to all employees, directors, KMPs and relatives of directors or KMP.

DISTINGUISHMENT BETWEEN THE DEFINITION OF RELATED PARTY TRANSACTION PROVIDED UNDER COMPANIES ACT, 2013 AND SEBI LODR:

Under the Companies Act, 2013, 'related party transaction' is not defined, however, the transactions covered under point (a) to (h) under the definition above are restricted to mean those entered into with related parties (defined under Section 2(76) of the Companies Act, 2013) and not extend in the manner provided under the SEBI LODR.

B. MATERIALITY THRESHOLDS FOR RELATED PARTY TRANSACTIONS

Related Party Transactions exceeding the below mentioned materiality thresholders and material modifications thereto, shall require prior approval of the shareholders of the Company, as more specifically provided under IV (3) below:

Nature of Transactions	Materiality as per Companies Act, 2013 (A)	Materiality as per SEBI (B)
Sale, purchase or supply of any goods or materials directly or through appointment of agents	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding 10% of the Turnover of the Company as per the Audited Financial Statement of the preceding Financial Year.	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding the threshold limits specified under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.
Buying, selling or disposing of property of any kind directly or through appointment of agents.	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding 10% of the Networth of the Company as per the Audited Financial Statement of the preceding Financial Year	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding the threshold limits specified under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.
Leasing of any kind of property	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding 10% of turnover of the	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding the threshold limits specified

	company, as per the Audited Financial Statement of the preceding Financial Year	under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.
Availing or rendering of any services directly or through appointment of agents	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding 10% Turnover of the Company as per the Audited Financial Statement of the preceding Financial Year	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding the threshold limits specified under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.
Appointment to any office or place of profit in the company, its subsidiary company or associate company	Monthly remuneration exceeding Rs.2,50,000	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding the threshold limits specified under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.
Remuneration for underwriting the subscription of any securities in or derivatives thereof	Exceeding 1% of net worth as per the Audited Financial Statement of the preceding Financial Year	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding the threshold limits specified under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.
Transfer of resources, services or obligations	-	Transactions entered into individually or taken together with other previous transactions during a financial year, exceeding the threshold limits specified under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.
Transactions involving payments made to related party with respect to brand usage or royalty	-	If the transaction to be entered individually or taken together with previous transactions during a financial year, exceeds 25% of the annual consolidated turnover of the Company as per its last audited financial statement.

Note: Shareholders reserve the right to specify maximum permissible limit upto which transaction with a respective related party may be carried out in a financial year, in the event whereof such permissible limit will be reckoned as threshold limit for the purpose of this policy.

C. ARM'S LENGTH PRICING

The Arm's Length Pricing (ALP) is the condition or the fact that the parties to a Related Party transaction are independent (un-related) and on an equal footing from one or more of the following aspects namely quality, realization, commercial terms etc. Such a transaction is known as an "arm's-length transaction".

An explanation under Section 188 of the Companies Act, 2013, refers to the term "arm's length transaction" as a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

Standards on Accounting (SA) 550 pertaining to related parties, states the meaning of "arm's length transaction" as:

A transaction conducted on such terms and conditions as between a willing buyer and a willing seller **who are unrelated and are acting independently of each other and pursuing their own best interests.**

In order to consider a transaction to be at arm's length, two elements may be considered:

(a) The transaction is undertaken on terms similar to those between unrelated parties, and
(b) There is no conflict of interest, that is, the transaction is undertaken independently, in the best interest of the entities in question.

Various factors become relevant in the assessment of whether or not a transaction is at an arm's length. Illustrative tests for arm's length may include, for instance:

- Prices/discounts/premiums and on such terms which are offered to unrelated parties of similar category/profile
- Commercially negotiated terms
- Pricing is arrived at as per the rules/ guidelines that may be issued by or acceptable for the purpose of regulatory authorities, as applicable to such contracts
- Terms of contract/arrangement other than pricing are generally on a basis similar to those as may be applicable for similar category of goods and services or similar category/profile of counterparties
- May also apply the most appropriate method from any of the methods as prescribed under section 92C(1) of the Income Tax Act read with rule 10B of the Income Tax Rules

Additionally, the Company may also adopt any other reasonable approach or methodology to demonstrate Arm's Length for the specified Related Party transaction identified by them.

D. ORDINARY COURSE OF BUSINESS

"Ordinary course of business" means all such acts and transactions ordinarily undertaken or expected to be undertaken by the Company, including, but not limited to sale or purchase of goods, property or services, leases, transfers of resources, providing of guarantees or collaterals, in the normal routine in managing trade or business and is not a standalone transaction. The Company should take into account various factors including but not limited to the size and incidence of similar transactions which the company has entered into, the nature and size of the company's existing business and common factors within the industry sector in which it operates, the subject matter and terms of the transaction, the anticipated impact of the proposed transaction on the company, the frequency of the activity and its continuity carried out in a normal organized manner, for determination what is in the ordinary course of business.

The criteria of being "ordinary" or "normal" or "in the ordinary course of business", is met when both of the two selective criteria are satisfied namely;

a) the transaction must be ascribed to business objectives or operational activities or alternatively, related to financial activities and;
b) the same transaction must also fall under the perimeter of the ordinary exercise of operational activities, frequency of the activity, continuity or related financial activities as stated above.

The transactions that exceed the materiality threshold limits stated above, require approval of the shareholders.

The ordinary course of business is not necessarily restricted to the principal business, main business or main objects laid down in the Memorandum of Association of the company. However, the primary test would lie in whether the company goes out of its way, either in terms of the orbit of its transactions, or in terms of the commercial terms of the transaction, in undertaking a transaction with a related party.

IV. KEY FACTORS

1. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

- Each Director / Key Managerial Personnel is responsible for providing prior notice to the President – Corporate Affairs, Legal and Company Secretary of any potential Related Party Transaction involving him / her or his or her relative, including any additional information about the transaction that the President – Corporate Affairs, Legal and Company Secretary may request.

- The President – Corporate Affairs, Legal and Company Secretary in consultation with other members of management and with the Audit Committee, as may be deemed appropriate, will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

- In addition to intimation by the Related Party and Key Managerial Personnel, the Chief Financial Officer is also required to inform the President – Corporate Affairs, Legal and Company Secretary about the purported related party transaction including the changes if any, so that steps will be taken to determine whether the transaction constitutes a Related Party Transaction requiring compliance with this Policy.

- Every director / Key Managerial Personnel of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contracts or arrangement.

- Where any director / Key Managerial Personnel, who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of Board held after he becomes so concerned or interested.

- A contract or arrangement entered into by the Company without disclosure or with participation by a Director / Key Managerial Personnel who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the Company.

- In general, the Company strongly advises to receive such notice of any potential Related Party Transaction well in advance so that the President – Corporate Affairs, Legal and Company Secretary has adequate time to obtain and review information about the proposed transaction and other matter incidental thereto and to refer it to the appropriate approval authority.

- Every Director and Key Managerial Personnel are mandated to promptly communicate to the President – Corporate Affairs, Legal and Company Secretary any changes in the initial disclosure submitted by them to ensure Compliance of requirements under this Policy from time to time.

- Each of the departments, viz. finance, legal, operations or such other departments in the company shall provide prior requisite information in writing to the President – Corporate Affairs, Legal and Company Secretary for ascertaining the transaction, whether RPT or not and ensuring accurate, timely and complete disclosure of RPTs to the Audit Committee and Shareholders, as the case may be, in line with the 'Industry Standards on minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction' issued by SEBI.

- This Policy shall be subject to review by the Board of Directors of the Company at least once in every three years and be updated accordingly.

2. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

A. APPROVAL OF AUDIT COMMITTEE:

1. 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.

2. The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

   a. The Audit Committee will lay down the criteria for granting the omnibus approval and such approval shall be applicable in respect of transactions which are repetitive in nature

   b. The Audit Committee will satisfy itself the need for such omnibus approval and ensure that such approval is in the ordinary course of business for the company and in the interest of the Company;

   c. The transaction is in accordance with the criteria laid down for granting omnibus approval

   d. Such omnibus approval shall specify:
      - the name of the related party and nature of relationship
      - the nature and particulars of the contract or arrangement;
      - the material terms of the contract or arrangement;
      - any advance paid or received for the contract or arrangement, if any;
      - period of transaction,
      - maximum amount of transaction that can be entered into,
      - the indicative base price / current contracted price and the formula for variation in the price if any
      - 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
      - any other information relevant or important for the Committee to take a decision on the proposed transaction.

      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.1 Crore per transaction.

   e. Audit Committee will review, at least on a quarterly basis in its meeting, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given.

   f. Omnibus approvals will be valid for a period not exceeding one year and will require fresh approvals after the expiry of one year.

3. To review Related Party Transaction, the Audit Committee will be provided with all relevant material information pertaining to the Related Party Transaction including but not limited to the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party and any other relevant matters as per the 'Industry Standards on minimum information to be

provided for review of the audit committee and shareholders for approval of a related party transaction' issued by SEBI ("ISN")

4. For transactions covered under the ISN, a certificate to be furnished by the Chief Executive Officer/ Managing Director/ Whole Time Director/ Manager AND the Chief Financial Officer that the terms of RPTs proposed to be entered into are in the interest of the Company.

5. In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

   i. Whether the terms of the Related Party Transaction 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;

   ii. Whether the Related Party Transaction would affect the independence of the Director / KMP;

   iii. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction; and

   iv. Whether the Related Party Transaction is in the nature of conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the Director or other Related Party, the direct or indirect nature of the Directors, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board / Committee deems relevant.

6. If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects 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 necessary or appropriate under the circumstances.
7. The Agenda of the Audit Committee and Board meeting at which the proposal for the related party transaction is being placed for consideration and approval, shall contain all the required information as per the 'Industry Standards on minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction' issued by SEBI ("ISN"), more specifically detailed as an annexure to this policy. Any subsequent changes to this ISN shall be deemed to be incorporated in the Annexure to this Policy and shall not specifically require approval of the Board for modification only to this extent.

8. Remuneration and sitting fees paid by the Company or its subsidiary to its Directors, 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 related party transaction.
9. 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) (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 in terms of the provisions of sub-regulation (9) of this regulation;

(v) any other condition as 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 listed entity against any loss incurred by it.

B. APPROVAL OF THE BOARD OF DIRECTORS:

2 In terms of section 188(1) of CA 2013, if the transaction falls under the list of RPTs provided therein and does not meet the criteria of either being in the ordinary course of business or having been transacted on an arm's length or both, then prior approval of the board of directors is needed by passing a resolution at the meeting (and not be way of resolution by circulation).

3 If the RPT is in the ordinary course of business and on an arms' length basis, then board approval is not required.

4 As a matter of prudence, irrespective of whether a transaction falls under the list of specified transactions u/s 188(1) or not, where the transaction is either not in the ordinary course of business or the terms are not on an arm's length, prior approval of the board is recommended.

5 Similarly, if the transaction falls under the list of matters under section 179(3) of CA 2013, the same requires board approval.

6 In case of material RPTs or other transactions requiring shareholders' approval in a listed entity, the same requires recommendation of the board along with rationale of the same [Reg 17(11) of SEBI LODR].

C. APPROVAL OF THE SHAREHOLDERS

1. Pursuant to the Listing Regulations, as amended from time to time, a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year:

   b) In case of transactions involving payments made with respect to brand usage or royalty, if it exceeds 5% of the annual consolidated turnover of the Company as per its last audited financial statements;

   c) In case of any other transaction(s), if the transactions entered into individually or taken together with other previous transactions during a financial year, exceed the threshold limits specified under Schedule XII of the SEBI LODR Regulations, specified hereinbelow.

2. Pursuant to Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2015, all transactions exceeding the materiality threshold limits mentioned hereinabove under point III(B) (A), shall require prior approval of the shareholders. The provisions of section 188 are applicable only where a proposed RPT is either not in the ordinary course of business of the company or the terms are not on an arm's length basis.

3. All material Related Party Transactions and subsequent material modifications shall require prior approval of the shareholders through resolution and the related parties of the Company shall not vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

4. In case of wholly owned subsidiary, the resolution passed by the holding company shall be sufficient for the purpose of entering into the transactions between wholly owned subsidiary and holding company.

5. The explanatory statement to be annexed to the Notice of the General Meeting convened to obtain approval of the shareholders for a RPT, shall include all such matters as applicable and prescribed under the 'Industry Standards on minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction' issued by SEBI ("ISN"), more specifically detailed as an annexure to this policy. Any subsequent changes to this ISN shall be deemed to be incorporated in the Annexure to this Policy and shall not specifically require approval of the Board for modification only to this extent.

3. Material Modifications to Existing RPT

Material modification will mean and include any modification to an existing related party transaction sanctioned by the Audit Committee / Board / Shareholders, as the case may be.

The authority for approving material modification to an existing RPT would be same as that of original approving authority for the resolution. Provided that the Company would be required to seek prior approval of the approving authority before acting upon the proposal of material modification.

The Company to disclose material modifications to existing RPT in line with the disclosure requirements applicable to original RPT resolution.

The material modification to existing RPT shall also be recorded in the register in Form MBP 4 for contracts or arrangements with related party.

4. EXEMPTIONS FROM OBTAINING AUDIT COMMITTEE OR SHAREHOLDER APPROVAL:

1. SEBI LODR provides an exemption to certain types of transactions from approval of the Audit Committee and Shareholders approval:
   - Transactions entered into between a holding company and its wholly owned subsidiary (WOS) 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.

2. The fourth proviso to section 177(4)(iv) of CA, 2013 also provides a conditional exemption from the requirement of AC approval for transactions between holding company and its WoS. The proviso reads as:

   Provided also that the provisions of this clause **shall not apply to a transaction, other than a transaction referred to in section 188, between a holding company and its wholly owned subsidiary company.**

Thus, the exemption for RPTs with WoS does not apply in case of a transaction referred u/s 188 of CA 2013. In other words, where an RPT with WoS triggers approval requirements u/s 188, the same will also be required to be approved by the AC u/s 177 first.

5. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS OF SUBSIDIARY COMPANIES:

1. In case of transactions by the unlisted subsidiaries (that are not required to comply with reg. 15 to 27 of SEBI LODR), where the listed entity is not a party to the transaction, prior approval of the AC of the parent listed entity is required if the aggregate value of the transaction with a related party (whether entered into individually or taken together with previous transactions during a financial year)
   - is above Rs. 1 crore and
   - exceeds 10% of the annual standalone turnover of the subsidiary or material RPT thresholds for the listed entity, or
   - 10% of the aggregate of paid-up share capital and securities premium as on a date not older than 3 months prior to the date of seeking AC approval, in case the subsidiary does not have audited financial statements for a period of at least 1 year.

     Provided that the aggregate value of the 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.

2. Prior approval of the Audit Committee of the listed entity shall not be required or a related party transaction to which the listed subsidiary is a party but the listed company is not a party.

3. DECISION REGARDING TRANSACTION IN ORDINARY COURSE OF BUSINESS AND ON ARM'S LENGTH BASIS

The Audit Committee or the Board shall, in respect of the related party transactions referred to them for approval, shall after considering the material placed before them, shall judge if the transaction is the ordinary course of business or at arm's length basis. In case the Audit Committee is not able to arrive at such a decision, the same shall be referred to the Board, which shall decide if the transaction is the ordinary course of business and at arm's length basis.

4. DISCLOSURES

a. Details of all Material Related Party Transactions shall be disclosed quarterly along with Company's Compliance Report on Corporate Governance, in accordance with the Listing Regulations.

b. The Company is also required to disclose this Policy on its website i.e. www.seamec.in and a web link thereto shall be provided in the Annual Report of the Company.

c. The Company is required to disclose every contract or arrangement entered into with related party as prescribed under provision of Companies Act, 2013 in the Company's Board's Report to Shareholders of the Company at the Annual General Meeting.

d. The Company shall keep one or more registers giving separately the particulars of all contracts or arrangements with any related party as prescribed under Section 189 of Companies Act, 2013 and Rules made there under as amended from time to time including signature of directors and ensure strict compliance thereof.

e. The Company shall submit disclosures of related party transactions on a consolidated basis, within such timeline as prescribed in the SEBI (LODR) Regulations and in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

5. EXCLUSIONS FROM RELATED PARTY TRANSACTIONS

i. Appointment and remuneration of Directors/KMP and deputation of in subsidiaries or associates.
ii. Transactions with employees
iii. Transaction pursuant to interest in securities of the Company
iv. CSR contribution
v. Reimbursement of expenses
vi. Corporate restructuring activities involving related parties
vii. Recurring / Consequential transactions
viii. Transactions pursuant to share based incentive plans
ix. Corporate actions which are uniformly applicable/offered to all the shareholders in proportion to their shareholding:
   - Payment of dividend;
   - Subdivision/ consolidation of securities;
   - Rights issue/ bonus issue;
   - Buy-back of securities
x. Issue of specified securities on preferential basis under the SEBI (ICDR) Regulations, 2018

The law now explicitly prescribes a list of exclusions, therefore it maybe said that the scope of exclusion may not be extended in case of any other transactions.

6. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail over the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Schedule XII: Related Party Transactions Regulations 23(1) of SEBI LODR, Regulations, 2015

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 the following:

Consolidated Turnover of Listed Entity	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 ₹ 40,000 Crore	₹ 2000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹ 20,000 Crore
(III) More than ₹40,000 Crore	₹ 3000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹ 40,000 Crore or ₹ 5000 Crores, whichever is lower

APPLICABILITY OF INDUSTRY STANDARDS ON MINIMUM INFORMATION TO BE PROVIDED FOR REVIEW OF THE AUDIT COMMITTEE AND SHAREHOLDERS FOR APPROVAL OF A RELATED PARTY TRANSACTION

These Standards as provided in SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/23 dated June 26, 2025, with effect from September 01, 2025, are structured as under:

Part A: This Part of the Standards captures the minimum information of the proposed RPT and is applicable to all Related Party Transactions, exceeding INR 1 crore, placed for review and approval by the Audit Committee.

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 as per the circular, detailed below.

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"), placed for review and approval of the shareholders. The information under Part C shall be in addition to information disclosed under Part A and Part B.

These Industry Standards are not applicable for:

i. Transactions exempted under Regulation 23(5) of SEBI LODR Regulations, inter alia including:

   a. Transactions between a holding company and its wholly owned subsidiary Company whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
   b. Transactions 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.
   c. 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 or any State Government or any combination thereof on the other hand.

ii. Quarterly review of Related Party Transactions by the Audit Committee in terms of Regulation 23(3)(d) of SEBI LODR Regulations.

iii. Transaction(s) with a related party to be entered into individually or taken together with the previous transactions during a financial year(including which are approved by way of ratification) does not exceed Rupees One Crore.

Summary for disclosures as per ISN:

Approving Authority	Type of Transaction	Disclosures required
Audit Committee	**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 <u>does not exceed Rs. One Crore.</u>**	No specific disclosures required under ISN.
Audit Committee	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) **which exceeds Rs. 1 crore but <u>do not exceed 1% of annual consolidated turnover</u> of the listed entity as per the last audited financial statements of the listed entity <u>or Rupees Ten Crore, whichever is lower</u>**	Limited Disclosures: a. Type, material terms and particulars of the proposed transaction 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. Tenure of the proposed transaction (particular tenure shall be specified); d. Value of the proposed transaction e. 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); f. 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, intercorporate 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. g. Justification as to why the RPT is in the interest of the listed entity; h. A copy of the valuation or other external party report, if any such report has been relied upon; i. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis; j. Any other information that may be relevant.
Audit Committee	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) **which <u>exceeds 1% of annual consolidated turnover</u> of the listed entity as per the last audited financial statements of the listed entity <u>or Rupees Ten Crore, whichever is lower</u>**	As per Part A & B detailed below, vis-a vis the type of transaction to be undertaken.
Shareholders	<u>Material RPT:</u> 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), **<u>exceeds the threshold as per Schedule XII hereinabove provided.</u>**	Full Disclosures as per Part A, B and C detailed below along with information to be included in the Explanatory Statement to the Notice to be sent to the shareholders.

<u>PART A : Minimum Information of the proposed RPT, applicable to all RPTs</u>

A (1) : <u>Basic details of the related party</u>

Sr No	Particulars of the Information
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

<table>
<tr><th>Sr No</th><th>Particulars of the Information</th></tr>
<tr><td>1.</td><td>Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:

• 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).

Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity/Subsidiary/ related party has control.

While calculating indirect shareholding, shareholding held by relatives shall also be considered.</td></tr>
</table>

A (3): Details of previous transactions with the related party

<table>
<tr><th>Sr No</th><th>Particulars of the Information</th></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.

<table><tr><th>S. No.</th><th>Nature of Transactions</th><th>FY20xx -20xx (INR)</th></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr></table>
Explanation: Details need to be disclosed separately for listed entity and its subsidiary.</td></tr>
<tr><td>2.</td><td>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.</td></tr>
<tr><td>3.</td><td>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.</td></tr>
</table>

A (4): Amount of the proposed transaction(s)

Sr No.	Particulars of the information
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?
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.	Financial performance of the related party for the immediately preceding financial year: <table><tr><td>Particulars</td><td>FY 20xx-20xx (INR)</td></tr><tr><td>Turnover</td><td></td></tr><tr><td>Profit After Tax</td><td></td></tr><tr><td>Net worth</td><td></td></tr></table> Explanations: The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.

A (5): Basic details of the proposed transaction

Sr No.	Particulars of the information
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?
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. Explanation: 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 (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 associate**
B (7)		**Transactions relating to payment of royalty**

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:

Sr No.	Particulars of the information
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 (of upto 365 days or such period for which such advances are extended as per normal trade practice) , if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?

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

Sr No.	Particulars of the information
1.	Source of funds in connection with the proposed transaction. Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/housing finance companies.
2.	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance, specify the following: Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies. a. Nature of indebtedness b. Total cost of borrowing c. Tenure d. Other details

3.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/ other lenders. Note: (1) This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies. (2) 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.
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

Sr No.	Particulars of the information
1.	Source of funds in connection with the proposed transaction. Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.
2.	Where any financial indebtedness is incurred to make investment, specify the following: Note: This item of disclosure is not applicable to listed banks/ NBFCs /insurance companies/housing finance companies. 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.

Sr No.	Particulars of the information
1.	a) Rationale for giving guarantee, surety, indemnity or comfort letter
	b) Whether it will create a legally binding obligation on listed entity?
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) <u>Disclosure only in case of transactions relating to borrowings by the listed entity or its Subsidiary</u>

Sr No.	Particulars of the information
1.	Material covenants of the proposed transaction
2.	Interest rate (in terms of numerical value or base rate and applicable spread)
3.	Cost of borrowing Note: This shall include all costs associated with the borrowing
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) <u>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</u> or <u>disposal of shares of subsidiary or associate</u>

<table>
<tr><th>Sr No.</th><th>Particulars of the information</th></tr>
<tr><td>1.</td><td>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.</td></tr>
<tr><td>2.</td><td>Basis of determination of price.</td></tr>
<tr><td>3.</td><td>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</td></tr>
<tr><td>4.</td><td>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:
<table>
<tr><th></th><th>FY 20xx-20xx (INR)</th><th>FY 20xx-20xx (INR)</th><th>FY 20xx-20xx (INR)</th></tr>
<tr><td>Turnover</td><td></td><td></td><td></td></tr>
<tr><td>Net Worth</td><td></td><td></td><td></td></tr>
<tr><td>Net Profit</td><td></td><td></td><td></td></tr>
</table></td></tr>
<tr><td>5.</td><td>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</td></tr>
</table>

B (7) Disclosure only in case of transactions relating to payment of royalty

Sr No.	Particulars of the information
1.	Purpose for which royalty is proposed to be paid to the related party in the current financial year. 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.
	a. For use of brand name / trademark
	b. For transfer of technology know-how
	c. For professional fee, corporate management fee or any other fee
	d. Any other use (specify)
2.	a. The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies in other jurisdiction. b. If No, furnish information below. If royalty is paid to the parent company, disclose royalty received by the parent company from group entities in other jurisdiction: • Minimum rate of royalty charged along with corresponding absolute amount • Maximum rate of royalty charged along with corresponding absolute amount Note: The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty
3.	Sunset Clause for Royalty payment, if any.

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

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 (I) 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

Sr No.	Particulars of the information
1.	Latest credit rating of the related party Note: Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any
2.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default. 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. In addition, state the following: 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; b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; 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. Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.
	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

Sr No.	Particulars of the information
1.	Latest credit rating of the related party Note: a. Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any. b. This shall be applicable in case of investment in debt securities.
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

Sr No.	Particulars of the information
1.	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

	Note: a. Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any. b. 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
2.	Details of solvency status and going concern status of the related party during the last three financial years:
	FY 20xx-20xx
	FY 20xx-20xx
	FY 20xx-20xx
3.	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.
4.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person. 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. In addition, state the following: 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; b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; 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. Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.
	FY 20xx-20xx
	FY 20xx-20xx
	FY 20xx-20xx

C (4) <u>Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary</u>

Sr No.	**Particulars of the information**
1.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements. Note: This shall not be applicable to listed banks/NBFC/insurance companies/housing finance companies
	a. Before transaction
	b. After transaction
2.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements Note: This shall not be applicable to listed banks/NBFC/insurance companies/ housing finance companies.
	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

Sr No.	Particulars of the information
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

Sr No.	Particulars of the information
1.	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three financial years
	FY 20xx-20xx
	FY 20xx-20xx
	FY 20xx-20xx
2.	Purpose for which royalty was paid to the related party during the last three financial years. 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.
	a. For use of brand name / trademark
	b. For transfer of technology know-how
	c. For professional fee, corporate management fee or any other fee
	d. Any other use (specify)
3.	Royalty paid in last 3 FYs as % of Net Profits of previous FYs
	FY 20xx-20xx
	FY 20xx-20xx
	FY 20xx-20xx
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.

5.	Peer Comparison: 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:

	Listed Entity/ Subsidiary	Peer 1	Peer 2	Peer 3
Royalty payment over last 3 years	Aggregate amount	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:

a. 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.

b. 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.

c. 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.

d. In case there are no Industry Peers, the Listed Entity shall state that no Industry Peers are available for comparison.

INFORMATION TO BE INCLUDED IN THE EXPLANATORY STATEMENT IN THE NOTICE TO SHAREHOLDERS

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 following information as a part of the explanatory statement:

a. A summary of the information provided by the management of the listed entity to the audit committee;

b. Justification for why the proposed transaction is in the interest of the listed entity;

c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary;

d. A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;

e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;

f. Any other information that may be relevant.