

SAI CAPITAL LIMITED

Registered Office: G-25, Ground Floor, Rasvilas Salcon, D-1, Saket District Centre Saket
New Delhi South Delhi – 110017

CIN: L74110DL1995PLC069787

E-Mail: cs@saicapital.co.in Website: www.saicapital.co.in

POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

1 Preamble

The Company is committed to upholding the highest ethical and legal conduct in fulfilling its responsibilities and recognizes that Related Party Transactions can present a risk of direct or indirect, actual or apparent, conflict of interest of the Directors, Senior Management, etc., with the interest of the Company.

The Board of Directors of the Company, has adopted this Policy and procedures for dealing with Related Party Transactions, in compliance with the requirements of Section 188 of the Companies Act 2013 and Rules made there under and any subsequent amendments thereto (the “Act”) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), as amended from time to time, in order to ensure transparency and procedural fairness of such transactions.

2 Objective

This Policy is intended to ensure proper approval and reporting of transactions as applicable, between the Company and/or its Subsidiaries, and any of its Directors, Officers, or certain entities or persons related to them, in the best interest of the Company and its Stakeholders.

Provisions of this Policy are designed to govern the transparency of approval process and disclosure requirements, and to ensure fairness in the conduct of Related Party Transactions, in terms of the applicable laws. This Policy shall supplement the Company’s other policies in force that may be applicable to, or involve transactions with related persons. Further, the Board may amend this policy from time to time, as may be required.

The Audit Committee of Directors (“Audit Committee”), shall review, approve and ratify Related Party Transactions based on this Policy in terms of the requirements under the above provisions.

3 Definitions

Audit Committee or Committee : Audit Committee constituted by the Board of Directors of the Company under provisions of Section 177 of The Companies Act, 2013 and Regulation 18 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

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 : in relation to another company, means a company defined under Section 2(6) of The Companies Act, 2013 and Regulation 2(1)(b) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board : means Board of Directors of the Company

| | | |
|----------------------------------|----------|--|
| Key Managerial Personnel | : | means Key Managerial Personnel as defined under The Companies Act, 2013. |
| Policy | : | means this Related Party Transaction Policy. |
| Related Party | : | means a related party as defined under Section 2(76) of The Companies Act, 2013 or under the applicable accounting standards and Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. |
| Relative | : | as defined under Section 2(77) of the Companies Act, 2013 and rules prescribed there under & Regulation 2(1)(zd) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. |
| Material Modifications | : | a) Quantitative criteria: any variation which may have impact of 20% or more in commercials of any Material Related Party transactions. b) Qualitative criteria: any modification which may change the entire nature / structure of any material Related Party Transaction. |
| Related Party Transaction | : | shall mean any transaction where a counterparty is a related party and shall include the Related Party Transactions listed under Section 188 (1) of the Companies Act, 2013, Regulation 2(1)(zc) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable accounting standards and other applicable provisions, if any, as amended from time to time. |

4. Applicability:

This Policy shall be applicable to all Related Party Transactions (as defined above) entered into by the Company. All Related Party Transactions are to be carried out strictly as per the procedures, processes and methodologies prescribed in this policy, and this policy shall invariably be applicable to the Company and all transactions with its related parties. Provided that the provisions relating to the obtaining prior approval of Audit Committee, granting of Omnibus Approval and obtaining Shareholder's approval for material Related Party Transactions under LODR will not be applicable to the following types of transactions:

- i. Transactions entered into between a Holding Company and its wholly owned Subsidiary whose accounts are consolidated with such holding company and placed before the Shareholders at the General Meeting for approval.
- ii. 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.
- iii. Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.

5. Identification of Related Party Transactions

Material Related Party Transactions:

Material Related Party Transaction means 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. 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Provided further that, notwithstanding anything as mentioned above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually, or taken together with previous transactions during a financial year, exceed 5% of the annual consolidated turnover of the Company.

6. Review Mechanism/Approval/Ratification

A. AUDIT COMMITTEE:

All transactions entered with Related Parties and subsequent material modifications shall require prior approval of the Audit Committee of the Company pursuant to Section 177(4)(iv) of The Companies Act, 2013 and Regulation 23(2) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Provided that only those Members of the Audit Committee, who are Independent Directors, shall approve related party transactions.

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

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 shall lay down the criteria for granting omnibus approval in line with the Policy 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 Company;
- C. the omnibus approval shall specify:
 - i. Type, material terms and particulars of the proposed transaction;
 - ii. 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);
 - iii. Tenure of the proposed transaction (particular tenure shall be specified);
 - iv. Value of the proposed transaction;
 - v. 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).

- D. Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, the 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 Listed entity pursuant to each of the omnibus approvals given.
- F. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year:

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 in terms of the provisions of Clause 4.1 of 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. the details of ratification shall be disclosed along with the disclosures of Related Party Transactions in terms of the provisions of Regulation 23(9) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- e. any other condition as may be specified by the Audit Committee.

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

Notice sent to the Audit Committee of the Company shall contain the necessary information as prescribed under Para 4 of SEBI circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025, as amended from time to time.

B. BOARD OF DIRECTORS

Transactions with related party are required to be placed before the Board If Related Party Transactions are referred by the Audit Committee to the Board for its approval due to the transaction being:

- i. not in the ordinary course of business, and / or
- ii. not at an arm's length price,

In addition to the above, the following kinds of transactions with related parties shall also be placed before the Board for its approval:

- i. Material RPT, OR
- ii. Transactions meeting the materiality thresholds as laid down above in the Policy, which are intended to be placed before the Shareholders for their approval, OR
- iii. Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view, requires the Board's approval, OR

- iv. Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the Policy determined by the Board from time to time (i.e. value threshold and/or other parameters) require Board's approval in addition to Audit Committee approval.

The Board will consider such factors as nature of relationship with the related party, nature of the transaction, duration and particulars of the contract or arrangement, material terms of the contract or arrangement including the value, if any, any advance paid or received against such proposed contract or arrangement, if any, the manner of determining the pricing and the business rationale for entering into such transaction and any other information relevant for the Board to take a decision on the proposed transaction. On such consideration, the Board may approve the transaction or may require such modifications to the transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

C. SHAREHOLDER:

Approval of Shareholders is required, if a Related Party Transaction is:

- 1) Material RPT as per Clause 5 of this Policy; OR
- 2) not in the ordinary course of business and/or not at arm's length, and price exceeds thresholds as defined in Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 in terms of Section 188(1) of The Companies Act, 2013.

Provided that the requirements specified under this policy shall not apply in respect of a resolution plan approved under Section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Further, Notice sent to Shareholders for seeking their approval to enter into any Related Party Transaction as specified above shall contain an Explanatory statement as per Section 102 of The Companies Act, 2013. The explanatory statement to be annexed to the Notice of a general meeting shall contain the information as specified in Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Para 5 of SEBI circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025, as amended from time to time.

Provided further that no Member of the Company shall vote on such Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Member is a related party.

7. Rules applying to Transactions with Related Parties which are in Ordinary Course of Business/ at arm's length except Material Transactions

7.1 Transactions with Related Parties which are in the Ordinary Course of Business of the Company and on arm's length shall be periodically disclosed to the Audit Committee/Board.

7.2 The Compliance Officer shall ensure that details of such transactions, after approval of the Audit Committee, are brought to the notice of Chairman & Managing Director and discussed with the Board at its next following Meeting, as may be required.

7.3 Transactions being entered into with the related parties even though being in the ordinary course of business of the Company shall satisfy the criteria of arm's length pricing. It shall be the responsibility of the Compliance Officer to ensure that requisite evidence and documentation are made available to the Auditors/Audit Committee, as may be required by them, to demonstrate that the transactions are conducted on arm's length basis.

8. Disclosure

8.1 Particulars of contracts or arrangements with related parties covered under this Policy, requiring Shareholders' approval, shall be appropriately referred to, in the Board's Report to the Shareholders along with the justification for entering into such contract or arrangement.

8.2 The Company shall also maintain Register(s), in the manner prescribed under Rule 16 of Companies (Meeting of Board and its Powers) Rules, 2014, containing particulars of all contracts or arrangements entered into with related parties to which Section 188 of the Act applies and particulars of those Companies, firms or other entities in which a Director holds more than two percent shareholding or is a Promoter, Manager, Chief Executive Officer or is a Partner, Owner or Member, as the case may be. The Register(s) shall be placed at the Board meeting for perusal of the Directors.

8.3 The Company shall disclose the Policy on dealing with Related Party Transactions on its website as may be required under the Act and the LODR. Web link to the Policy shall also be provided in the Annual Report.

8.4 Quarterly disclosure of details of all material transactions with related parties along with the compliance report on corporate governance.

8.5 Pursuant to Regulation 23(9) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended from time to time), The Company shall, every six month make disclosure of Related Party Transaction to the stock exchanges, on the date of publication of its Standalone and Consolidated financial results, in the format prescribed by the Securities Exchange Board of India.

8.6 This Policy shall be communicated to all operational employees and other concerned personnel of the Company.

8.7 The related party policy as approved by the Board shall be reviewed by the Board of Directors at least once in every three years and updated accordingly.

9. Penalties for Non-Compliance

Any Director or any other employee of the Company, who had entered into, or authorized a contract or arrangement in violation of this Policy shall be punishable under applicable laws, as amended from time to time.

The policy has been last updated/amended by board of directors in their meeting held on May 29, 2025.