



SHREE RAJASTHAN SYNTEX LTD.
RELATED PARTY TRANSACTION POLICY



TABLE OF CONTENTS

SN	Particulars	Page Nos.
1.	Preamble	3
2.	Objective	3
3.	Definitions	3
4.	Policy and Procedure	6
5.	Transactions which do not require approval	10
6.	Related Party Transactions not approved under this Policy	11
7.	Disclosures	11
8.	Policy Review	12



1.	Preamble
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This Related Party Transactions Policy (“Policy”) has been adopted by the Board of Directors (“Board”) of **M/s Shree Rajasthan Syntex Ltd.** (“Company” / “Listed Entity”) pursuant to:

- Section 188 and other applicable provisions of the Companies Act, 2013 (“Act”) read with applicable Rules made thereunder;
- Regulation 23 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”);
- Applicable Indian Accounting Standards (Ind AS);
- SEBI circulars issued from time to time.

This Policy shall regulate transactions between the Company and its Related Parties and shall be administered by the Audit Committee.

2.	Objective
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The objective of this Policy is to ensure:

- Proper identification of Related Parties;
- Approval of Related Party Transactions (RPTs) as per statutory requirements;
- Transparency and arm’s length dealing;
- Protection of minority shareholders’ interests;
- Compliance with SEBI LODR and the Act.

3.	Definitions
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“**Act**” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“**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. For determination of Arm’s Length basis, guidance may be taken from provisions of Transfer Pricing under Income Tax Act, 1961.

“**Associate Company**” means any other Company, in which the Company has a significant influence, but which is not a Subsidiary Company of the Company having such influence and includes a joint venture company.

Explanation: For the purpose of this clause

“*Significant Influence*” means control of at least twenty per cent of total share capital, or business decisions under an agreement.

“**Audit Committee or Committee**” means “Audit Committee” constituted by the Board of Directors of the Company under the provisions of SEBI LODR and Act as amended from time to time.

“**Board of Directors**” or “**Board**” means the Board of Directors of the Company, as constituted from time to time.



“Company/ Listed Entity” means Shree Rajasthan Syntex Ltd.

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

“ISN” means Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”, including any modification(s) / amendment(s) / re-enactment(s) thereof.

“Key Managerial Personnel” shall have the meaning as defined under Regulation 2(1)(o) of the SEBI (LODR) Regulations, 2015 read with Section 2(51) of the Companies Act, 2013, each as amended from time to time and includes any person so authorized and designated by the Board of Directors of the Company as KMP.

“Material Modification” in terms of SEBI LODR means any modification(s) in the pricing, quantity or overall transaction value having a variance of 20% (twenty per cent.) or more of the previously approved transaction value shall be treated as material modification.

“Material Related Party Transaction” in terms of SEBI LODR means a transaction to be entered into with a Related Party, individually or taken together with previous transactions during a financial year, if exceeds the following thresholds:

Consolidated Turnover of Listed Entity	Threshold
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the Company
(II) More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	Rs. 2,000 Crore + 5% of the annual consolidated turnover of the Company above Rs. 20,000 Crore
(III) More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the Company above Rs. 40,000 Crore or Rs. 5,000 Crores, whichever is lower

Explanation: For the purpose of computing the thresholds stated above, the annual consolidated turnover of the Company shall be determined based on the last audited financial statements.

Further, 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.



The above financial thresholds are subject to any amendments made in the Listing Regulations and the Act, from time to time, in which case the above thresholds shall deem to refer to such amended threshold(s).

“Ordinary Course of Business” means a transaction which is:

- Carried out in the normal course of business envisaged in accordance with the Memorandum of Association (“MOA”) of the Company as amended from time to time;
- Carried out historically with a pattern of frequency;
- Common commercial or established trade practice;
- Carried out for the business purpose irrespective of its frequency;
- The income, if any, earned from such activity/transaction is assessed as business income in the Company’s books of accounts and hence is a business activity;
- Meets any other parameters/criteria as decided by the Board / Audit Committee from time to time.

“Policy” means Related Party Transaction Policy.

“Related Party” shall mean a related party as defined under Section 2(76) of the Act and as per the applicable Indian Accounting Standard (Ind As) notified by the Ministry of Corporate Affairs, as amended from time to time or such other person as defined under regulation 2(1)(zb) of SEBI (LODR) Regulations, 2015 or any other provisions, if any, of the Listing Regulations.

The definition of related party is subject to any amendments made in the Listing Regulations, Indian Accounting Standard and the Act, from time to time, in which case the above definition shall deem to refer to such amended definition.

Reference and reliance may be placed on the clarification issued by the Ministry of Corporate Affairs, Government of India and SEBI and other Authorities from time to time on the interpretation of the term “Related Party”.

The following shall also be treated as the Related Party –

- a) all persons or entities forming part of the promoter or promoter group (including entities over which the promoter or promoter group may have control or significant influence), irrespective of their shareholding;
- b) any person/entity holding equity shares in the listed entity, either directly or on a beneficial interest basis, at any time during the immediately preceding financial year to the extent of 10% or more.

“Related Party Transaction (“RPT”) means a transaction involving transfer of resources, services or obligations between:

- The Company and a Related Party; or
- The Company or any of its subsidiaries and a Related Party,



regardless of whether a price is charged, and includes a single transaction or a group of transactions in a contract.

It shall include transactions under Section 188 of the Act and Regulation 2(1)(zc) of SEBI LODR.

“**Relative**” means relative as defined under Section 2(77) of the Act, as amended from time to time.

“**Transaction**” shall mean and include a single transaction or a group of transactions in a contract.

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Regulations, or any other applicable law or regulation, as amended from time to time.

Any words used in this Policy but not defined herein shall have the same meaning prescribed to it in the Companies Act, the Securities and Exchange Board of India Act, 1992, as amended, or rules and regulations made thereunder, including the SEBI Listing Regulations, the applicable accounting standards or any other relevant legislation/law applicable to the Company.

4.	Policy and Procedure
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○ **Policy**

All Related Party Transactions where the Company is a party to such transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this policy.

○ **Procedures**

A. Identification of Related Party Transactions

- a. The Company shall identify Related Parties (including those of its subsidiaries), as per requirement of Act and SEBI LODR and keep the related party list updated from time to time;
- b. Every director, key managerial personnel (KMPs) and promoters shall at the beginning of the financial year provide information by way of written notice to the Company regarding their concern or interest in the entity with specific concern to parties which may be considered as related party with respect to the Company and shall also provide the list of relatives which are regarded as related party as per Act and SEBI LODR. Directors, KMPs and promoters are also required to provide the information regarding their engagement with other entities during the financial year, which may be regarded as related parties, as per Act and SEBI LODR. Every director, KMP and promoter shall also be required to immediately intimate (within not more than 7 days) to the Company Secretary, any change (addition or deletion) to previously provided disclosure of concern or interest in any entity or list of relatives.



- c. The identified Related Parties shall be tagged in SAP or the equivalent accounting system of the Company or its subsidiaries.
- d. Further, before any new vendor/customer is onboarded into the SAP or equivalent system of the Company or its subsidiaries, as a part of vendor/ customer due diligence process, it shall also be checked from (i) the list of related parties so prepared and (ii) the promoter group, whether the new vendor/customer is a related party and if so, it shall be tagged as Related Party in the system.

The Company will identify potential transactions with Related Parties based on written notices of concern or interests received from its Directors / Key Managerial Personnel / Promoters as well as based on the list of related parties of the Subsidiary Companies, in the manner prescribed in Act and the rules thereunder and SEBI LODR, as amended from time to time.

B. Review and approval of Related Party Transaction

» Audit Committee

- Every Related Party Transaction and subsequent Material Modifications shall be subject to the prior approval of the Audit Committee.

Members of the Audit Committee, who are independent directors, shall only approve related party transactions.

- The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiaries, subject to compliance with the conditions contained in the Act and SEBI LODR, as amended from time to time.

The Company shall, while placing any proposed Related Party Transaction before the Committee for review and approval, provide the information in the format specified in the ISN and such other information as may be called for by the Audit Committee:

The ISN shall not be applicable to:

- a) Transactions exempted under Regulation 23(5) of the SEBI LODR; and
- b) Quarterly review of RPTs by the Audit Committee in terms of Regulation 23(3)(d) of SEBI LODR.
- c) 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) do not exceed rupees one crore.

The omnibus approval shall be valid for a period of one year from the date of approval.

Where the need for related party transaction(s) cannot be foreseen and specific details are not



available, audit committee may grant omnibus approval for such transaction(s), subject to value of such transactions not exceeding rupees one crore per transaction.

- The Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.
- Prior approval of the Audit committee shall be required for:
 - a. All RPTs and subsequent Material Modifications;
 - b. A related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction, exceeds the lower of the following:
 - (i) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
 - (ii) the threshold for Material Related Party Transaction.
 - c. In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, if the value of such transaction exceeds the lower of the following:
 - (i) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
 - (ii) the threshold for Material Related Party Transactions of the Company.

Provided that the aggregate value of 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.

Provided that prior approval of the Audit Committee of the Company shall not be required for RPTs where a listed subsidiary of the Company is a party but the Company is not a party, if regulation 23 and 15 (2) of SEBI LODR are applicable to such listed subsidiary.

- Notwithstanding anything to the contrary in this Policy, 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) the transaction is not material in terms of the provisions of Regulation 23(1) of SEBI LODR;
- 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 Regulation 23(9) of SEBI LODR;
- 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 party related to any director, key managerial personnel and promoters, or is authorised by any other director, key managerial personnel and promoters, the concerned director, key managerial personnel and promoters shall indemnify the Company against any loss incurred by it.

- If any additional Related Party Transaction is to be entered by the Company post omnibus approval granted by the Audit Committee, then the Company shall present such transaction before the Audit Committee in its next meeting for its prior approval.
- The Audit Committee shall also review the statement of significant related party transactions submitted by management as per its terms of reference.
- Any member of the Audit Committee who has a potential interest in any Related Party Transaction shall abstain from discussion and voting on the approval of the Related Party Transaction.
- To review proposed RPTs placed before the Committee for approval alongwith the information in the format specified in the ISN. .
- The Audit Committee shall recommend the Related Party Transactions for approval of Board of Directors / Shareholders, as per terms of this Policy.

» **Approval of the Board and the Shareholders**

- All Related Party Transactions which are not in the ordinary course of business or not at the arm's length price shall require prior approval of the Board of Directors of the Company. Where any director is interested in any Related Party Transaction, such director will abstain from discussion and voting on the subject matter of the resolution relating to such RPT.

Further, all related party transactions which are not in the ordinary course of business or not at the arm's length price **and** are exceeding threshold limits prescribed in section 188 of the Act as amended from time to time shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and all entities falling under the definition of Related Parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.



Further, the information as prescribed under Act and/or the SEBI LODR, from time to time shall be provided in the Notice to the shareholders for consideration of RPTs.

- All the Material Related Party Transactions and subsequent Material Modifications shall require prior approval of the Board and shareholders through Ordinary Resolution and no Related Party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that prior approval of shareholders of the Company shall not be required for RPTs where listed subsidiary is a party but the Company is not a party, if Regulation 23 and 15(2) of SEBI LODR are applicable to such listed subsidiary.

Provided further that the aforesaid requirements 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.

Provided further that the Related Party Transactions entered into by the Company with its wholly owned subsidiary(ies) whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval, shall not require approval of the audit committee, board or shareholders.

Provided further that the provisions pertaining to:

- Prior approval of the Audit Committee for all RPTs;
- Omnibus approval for RPTs; and
- Prior approval of audit committee, board or shareholders for Material Related Party Transactions and subsequent Material Modifications

shall not be applicable when the transactions are entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

5.	TRANSACTIONS WHICH DO NOT REQUIRE APPROVAL
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Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party, including the following:

- 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 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) retail purchases from the Company or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors.
- d) The remuneration and sitting fees paid by the Company or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group provided that the same is not material in terms of the provisions of Regulation 23(1) of SEBI LODR.

6.	Related Party Transactions not approved under this Policy
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If a Related Party Transaction is entered into by the Company without being approved under this Policy, the same shall be reviewed by the Audit Committee. The Audit Committee shall evaluate the transaction and may decide such action as it may consider appropriate including ratification (subject to terms of this Policy), revision or termination of the Related Party Transaction. The Audit Committee may examine the facts and circumstances of the case and take any such action it deems appropriate.

7.	Disclosures
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- o Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.

The Company shall submit information related to RPTs to the stock exchanges every six months, in the format specified by the SEBI LODR, simultaneously with the publication of financials and also publish the same on its website.

Provided that the remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure provided that the same is not material in terms of the provisions of sub- regulation (1) of SEBI LODR.

- o The Company shall disclose policy on dealing with Related Party Transactions on its website and also in the Annual Report.
- o RPTs shall be disclosed in Annual Report, as per applicable provisions of Act and SEBI LODR.



- The Company shall also get the Related Party Transactions reviewed by independent third party (preferably one of the top 6 audit firms or any other chartered accountant firm as may be approved by Audit Committee) on a quarterly basis and obtain a certificate that the Related Party Transactions are in ordinary course of business & undertaken at Arms' length and such certificate shall be placed before the Audit Committee on quarterly basis.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

8.	Policy Review
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This policy is framed based on the provisions of Act, and rules thereunder and the requirements of the SEBI LODR.

In case of any subsequent changes in the provisions of Act and SEBI LODR or any other regulations ("the Regulations") which makes any of the provisions in the policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the Policy and the provisions in the policy would be modified in due course to make it consistent with the Regulations.

The Policy shall be reviewed by the Audit Committee as and when any changes are to be incorporated in the policy due to changes in the Regulations or as may be felt appropriate by the Committee. Any changes or modification on the Policy as recommended by the Committee would be presented for approval of the Board of Directors. Provided that this Policy shall be reviewed by the Board at least once every three years and updated accordingly.

This Policy is lastly amended as per the recommendations of the Audit Committee meeting held on 06th February, 2026 and approved by the Board of Directors at its meeting held on 06th February, 2026.
