

“RELATED PARTY TRANSACTION POLICY FOR INTEC CAPITAL LIMITED”



RELATED PARTY TRANSACTION POLICY FOR INTEC CAPITAL LIMITED

<i>Policy / Process Note Information</i>	
<i>Policy Name</i>	<i>Related Party Transaction Policy For Intec Capital Limited</i>
<i>Approved by the Audit Committee and recommend to the Board of Directors,</i>	<i>Approved by the Audit Committee and recommend to the Board of Directors on Friday, May 30, 2025</i>
<i>Approved by Board of Directors, if any</i>	<i>Approved by Board of Directors on Friday, May 30, 2025</i>
<i>Effective Date</i>	<i>Friday, May 30, 2025</i>

“RELATED PARTY TRANSACTION POLICY FOR INTEC CAPITAL LIMITED”



PREAMBLE

Related Party Transaction Policy is adopted by the Board of Directors of Intec Capital Limited (hereinafter referred to as "Company or "ICL") pursuant to the compliances under the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015;

SEBI LODR Regulations, 2015prescribes that:

“Related Party Transaction” (RPT) means a transaction including contracts, arrangements and transactions as envisaged in Section 188(1) of the Companies Act, 2013 and/or Regulation 2(1) (zc) of the SEBI LODR Regulations involving a transfer of resources, services or obligations between:

- i. Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand, with effect from April 1, 2022; or
- ii. Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries, with effect from April 1, 2023;

Regardless of whether a price is charged and a “Transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract:

The Companies Act, 2013 also specifies that (pursuant to section 188 read with Rule 15 of The Companies (Meetings of Board and its Powers), Rules, 2014) subject to a resolution passed by Board at a meeting of the Board of Directors and subject to such conditions as may be prescribed, no Company shall enter into any contract or arrangement with related party.

Further, Related Party Transaction are part of Strategic matters as ascribed under Article 124A of Articles of Association of the Company which are required to be approved in terms of requirement as provided under Article 124A of Articles of Association of the Company and as per other provisions of applicable laws. ICL recognizes that certain relationships can present potential or actual conflicts of interest and may raise questions about whether transactions associated with such relationships are consistent with Company's and its Stakeholders' best interest.

The Company must specifically ensure that certain Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements to which the Company is subject.

The Audit Committee will review and may amend this policy from time to time.

DEFINITIONS

Audit Committee or Committee means Committee of Board of Directors of the Company constituted under SEBI LODR Regulations, 2015and 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. (Section 188 of Companies Act, 2013)

Associate company in relation to another company, means a company in which that other company has a significant influence but which is not a subsidiary company of the company having such influence and includes a joint venture company. (Section 2(6) of Companies Act, 2013)

Explanation: For the purposes of this definition, 'Significant Influence' means control of at least 20% of the total share capital, or of business decisions under an agreement.

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Board means Board of Directors of the Company.

Chief **Executive Officer** means an officer of a company, who has been designated, if any, as such by it.

Chief Financial Officer means a person appointed as Chief Financial Officer of the company.

Interested Director means a director who is in any way, whether by himself or through any of his relatives or firm, body corporate or other association of individuals, in which he or any of his relatives is a partner, director or a member, interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of a company.

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

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

Material Related Party Transaction means a transaction with a related party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees one thousand crore or ten per cent of the annual consolidated turnover of the company as per the last audited financial statements of the of the listed entity, whichever is lower. Provided further that a transaction involving brand usage or royalty shall be considered material if the payment to a related party exceeds 5% of the annual consolidated turnover.

Material Modifications means any change to a material related party transaction which:

- Alters the nature or scope significantly
- Exceeds 10% of the originally approved monetary value

Policy means Related Party Transaction Policy for Intec Capital Limited.

Related Party means related party as defined in SEBI LODR Regulations, 2015 including subsequent amendment thereof 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;

Provided that:

(a) any person or entity forming a part of the promoter or promoter group of the listed entity; or

(b) any person or any entity, holding equity shares:

(i) of twenty per cent or more; or

(ii) of ten per cent or more, with effect from April 1, 2023;

in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party

- (ii) Such entity is a related party under the applicable accounting standards.

- (iii) **Relative**, with reference to any person, means anyone who is related to another, if -

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- They are members of a Hindu Undivided Family;
- They are husband and wife; or
- One person is related to the other in such manner as may be prescribed

Rule 4 of the Definition Rules have prescribed the following persons who shall be deemed to be the relative of another, if he or she is related to another in the following manner;

Father including step-father; Mother including step-mother; Son including step-son;
Son's wife;
Daughter;
Daughter's husband;
Brother including step brother; Sister including step-sister

Related Party Transaction means any transaction directly or indirectly involving any Related Party which is a transfer of resources, services or obligations between a company or its subsidiaries and a related party or between a company or its subsidiaries and any third party where the purpose is to benefit a related party, regardless of whether a price is charged.

Explanation: A "transaction" with a Related Party shall be construed to include single transaction or a group of transactions in a contract.

IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

All related party shall inform one month or such other shorter period as may be allowed and considered by Audit Committee on case to case basis before entering into any related party transaction(s) to the Company. It is the duty of every Director and Key Managerial Personnel of ICL to provide with notice in advance of every Related Party Transaction when entered involving him or her or his/her relative to Audit Committee through the Company Secretary, including any additional information about the transaction that the Audit Committee may reasonably request. Audit Committee will determine whether the transaction constitute a related party transaction or not.

PROHIBITIONS & APPROVAL RELATED TO RELATED PARTY TRANSACTIONS

All Related Party Transactions and subsequent material modifications shall require prior approval of the Audit Committee, Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.
- The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit.

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To review the transactions, the audit committee shall be provided with the necessary information to the extent relevant. Material Modifications must also go through the same approval flow as defined hereinabove.

It is further 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 the limit as prescribed under SEBI LODR Regulations, 2015 or any other applicable from time to time.

Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year or shall be valid for such other period as may be prescribed under any other applicable laws from time to time.

The committee shall review the details of related party transactions entered vide omnibus approval on quarterly basis.

Further, all Material Related Party Transactions and subsequent material modifications as defined by the audit committee under sub-regulation (2) shall require Prior approval of the shareholders through resolution and all entities falling under the definition of Related Parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

As per section 177(4) of the Companies Act, 2013 read with Regulation 23(2) of the SEBI LODR Regulations, 2015 for entering into Transactions or any subsequent modification of Transactions of the Company with Related Parties shall be put up for prior approval of the Audit Committee of the Company in accordance with this Policy whether at a meeting or resolution by circulation including:

- a) With effect from April 1, 2022, a Related Party Transaction to which the subsidiary of a Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the Company;
- b) With effect from April 1, 2023, a Related Party Transaction to which the subsidiary of a Company a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary;

All Related Party Transactions shall be referred to the next scheduled meeting of Audit Committee for review and approval. No related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

“Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.”

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including 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.

Further the committee shall take into consideration the following factors for approving Related Party Transactions:

- Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company.

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- Whether the Related Party Transaction would affect the independence of an independent director.
- Whether the proposed transaction includes any potential reputational risk.
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction.
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought.

BOARD'S APPROVAL

If audit committee is of the view that a related party transaction should be placed mandatorily under any law, before the Board of Directors of the Company for its approval, and/or the Board suo moto decided to review or to approve any related party transaction, such transaction has to be placed before the Board accordingly for its reviewing and approval and the considerations set forth above, with such modification as may be necessary or appropriate under the circumstances.

Further, all Related Party Transaction are part of Strategic matters as ascribed under Article 124A of Articles of Association of the Company. And such Related Party Transactions are required to be approved in terms of requirement as provided under Article 124A of Articles of Association of the Company and as per other provisions of applicable laws.

RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummate, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction.

In any case, where Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, Audit Committee has authority to modify or waive any procedural requirements of this Policy.

OMNIBUS APPROVAL AS PER RULE 6A OF THE COMPANIES (MEETING OF BOARD AND ITS POWERS) SECOND AMENDMENT RULES, 2015 AND THE SEBI LODR REGULATIONS

A. Audit Committee may grant the omnibus approval for Related Party Transactions subject to the following conditions:

1. Transactions which are repetitive in nature.
2. Audit Committee shall satisfy itself for justification for the need of such omnibus approval in the best interest of the Company.
3. Omnibus approval shall specify:
 - (i) the name(s) of the Related Party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,

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(ii) the indicative base price/current contracted price and the formula for variation in the price, if any, and

(iii) such other conditions as the Audit Committee may deem fit. Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1.00 crore per transaction.

Omnibus approvals shall not be provided for transactions involving sale or disposal of undertakings, financial arrangements (like loans, guarantees), or those not conducted at arm's length or in the ordinary course of business.

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

C. The omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year from the date of approval.

D. Omnibus approval shall not be made for transaction in respect of selling or disposing of the undertaking of the Company

EXEMPTION TO RELATED PARTY TRANSACTION(S) AS PER SEBI LODR REGULATIONS:

- (i) Transactions entered into between two Government Companies;
- (ii) 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.
- (iii) 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.

EXEMPTIONS FROM SHAREHOLDERS APPROVAL:

- (i) In respect of contracts or arrangements entered into by one Government Company with any other Government Company.
- (ii) 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.
- (iii) Transactions between two wholly-owned subsidiaries of the Company whose accounts are consolidated and placed before shareholders at the AGM.

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SUMMARY OF THE APPROVAL MECHANISM UNDER THE SEBI LODR REGULATIONS AND THE COMPANIES ACT, 2013

Details of Transaction(s)	Approving Authority
All Related Party Transactions and any subsequent modification including material modification	Audit Committee and subsequent approval of Board.
RPTs which are not in ordinary course of business or not on arm's length basis or both (less than threshold limits)	Approval and recommendation by Audit Committee to the Board. Approval by the Board
RPTs which are in not in ordinary course of business or not on arm's length basis or both (beyond threshold limits)	Approval and recommendation by Audit Committee to the Board. Approval and recommendation by the Board to Shareholders. Approval by the Shareholders.
Material RPTs	

DISCLOSURE

Details of all material Related Party Transactions with related parties shall be disclosed to Stock Exchange on regular basis as prescribed under applicable laws, along with the compliance report on corporate governance.

Disclosures shall be made in the format prescribed by SEBI from time to time. Material modifications shall be disclosed alongside original transactions.

The company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.

AMENDMENT

Board has the power and authority to amend and modify the Related Party Transaction Policy in light of modifications and amendments in SEBI LODR Regulations, 2015 and Companies Act, 2013 or otherwise.