

**REVISED POLICY ON MATERIALITY OF RELATED PARTY
TRANSACTIONS AND ON DEALING WITH RELATED PARTY
TRANSACTIONS (w.e.f. 20th March, 2025)**

I. INTRODUCTION

This policy is made in supersession of existing Related Party Transactions Policy and has been drafted in accordance with the provisions contained under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time.

The Board of Directors of the Company has, on the recommendation of Audit Committee, approved and adopted this revised Policy with regard to the Related Party Transactions on 20th March, 2025 which envisages the procedure and terms of reference governing Related Party Transactions required to be followed by the Company to ensure compliance with the Applicable Laws.

II. OBJECTIVES

The Board of Directors (the “Board”) of OBL has adopted this Policy on materiality of related party transactions and on dealing with related party transactions (this “Policy”) to set forth the procedures under which transactions with Related Parties shall be reviewed for approval or ratification in accordance with the procedures set forth herein.

This policy sets up a mechanism to ensure that related party transactions will take place in an equitable manner, in the best interest of the Company and its shareholders and no undue benefit is given to the Related Parties. No Related Party Transaction may be entered into by the Company except in accordance with the provisions of this Policy.

III. DEFINITION & INTERPRETATIONS

- a) “Act” means the Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactments thereof.
- b) “Arm’s Length basis” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. For determining Arm’s Length basis, guidance may be taken from the transfer pricing provisions under the Income-Tax Act, 1961.
- c) “Audit Committee” means committee of Board of Directors of the Company.
- d) “Board of Directors” or “Board” means the Board of Directors of the Company in terms of the Act.
- e) “Company” means ‘OBL’ or ‘Orient Bell Limited’.
- f) “Key Managerial Personnel” means the Key Managerial Personnel of the Company in terms of the Act.
- g) “Listing Regulations” means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modifications, amendments, clarifications, circulars or reenactments thereof.

- h) “Material modification(s)” means any modification to the existing Related Party Transaction which were approved by the Audit Committee or by the Board of Directors or Shareholders, as the case may be, during the year which has the effect of increasing or decreasing the value of such Related Party Transaction by 5% or more.

Provided further that the following shall not be considered as material modification(s):-

- (i) modifications which may be mandated pursuant to any change in law or constitution of parties;
 - (ii) modifications which are purely technical and do not result in substantive change or alteration of rights, interest and obligations of any of the parties;
- (i) “Material Related Party Transaction” means a Related Party Transaction which individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 Crore (Rupees one thousand crore only) or 10% (ten percent) of the annual consolidated turnover of the Company whichever is lower as per the last audited financial statements.

Provided that in case of any amendment to the Act or Listing Regulations, definition of Material Related Party Transactions will be deemed to be changed without any further approval of Audit Committee or Board.

Provided further that a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.”

- (j) “Policy” means the current Policy on Related Party Transactions, including amendments, if any, from time to time.
- (k) “Related Party” means a related party as defined under the Act read with Regulation 2(1)(zb) of the Listing Regulations, as amended.
- (l) “Related Party Transaction” means such transactions as specified under the Act and Regulation 2(1)(zc) of the Listing Regulations, including any amendment or modification thereof, as may be applicable.
- (m) “Relative” means a relative as defined under the Act and Regulation 2(1)(zd) of the Listing Regulations, including any amendment or modification thereof, as may be applicable.
- (n) “Transaction” with a Related Party shall be construed to include single transaction or a group of transactions in a contract.

The word(s) and expression(s) used and not defined herein or having any conflict or inconsistency in their interpretation, it/they shall have the meaning as assigned to them under the Act, Listing Regulations or other applicable laws. Nothing in this Policy shall override any provision of law made in respect of any matter stated in this Policy.

IV. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

1. Except exempted by any regulatory authority, all Related Party Transactions of the

Company or its subsidiary(ies) and/or subsequent Material Modification thereto shall be subject to the prior approval of Audit Committee whether at a meeting or by resolutions by circulation. However, Audit Committee may grant prior omnibus approval for Related Party Transactions proposed to be entered by the company or its subsidiary(ies) which are (a) repetitive in nature; and (b) are in the ordinary course of business; and (c) on an arm's length basis; and (d) within the threshold limits subject to the provisions of Companies Act and Listing Regulations.

2. While reviewing any Related Party Transaction of the Company or its subsidiary(ies) and/or subsequent Material Modification thereto for approval, the Audit Committee shall take into account all relevant facts and circumstances, including the terms and business purpose of such Transaction, the benefits to the Company and to the Related Party, whether such Transaction includes any potential reputational risks that may arise as a result of or in connection with the proposed Transaction and such information as mandated by any regulatory authority or prescribed under the Act and/or the Listing Regulations from time to time.
3. If the Committee determines that a Related party transaction should be brought to the attention of 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 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.
4. All Related party transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at a general meeting for approval, shall not require prior approval of the audit committee and the Shareholders of the Company.
5. All Material Related Party Transaction(s) of the Company or its subsidiary(ies) and/or material modifications thereto which deviate from the principle of arm's length and/or not carried out in the ordinary course of business and/or exceeds threshold limits as prescribed under section 188 of the Companies Act, 2013, shall require prior approval of the Audit Committee, Board of Directors and shareholders of the company in terms of the requirements under the Act and/or Listing Regulations.
6. Any director who has a potential conflict of interest in any Related Party Transaction will not remain present at the meeting or shall abstain from discussion and voting on the approval of such Related Party Transaction and/or subsequent Material Modification thereto and shall not be counted in determining the presence of quorum when such Transaction is considered.
7. The Audit Committee shall review on a quarterly basis, the details of Related Party Transactions entered into by the Company or its subsidiary with particular reference to the omnibus approval in place.

V. RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED

The Company shall endeavor to seek prior approval/omnibus approval of all Related Party Transactions. However, in the event the Company becomes aware of a Related Party Transaction

that has not been approved as per provision of this Policy, members of the Audit Committee, who are independent directors, may ratify such related party transaction(s) within three months from the date of the transaction or in the immediate next Audit Committee meeting, whichever is earlier, upon fulfilling below 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 ₹ 1 (one) crore;
- ii. the transaction is not material related party transaction in terms of the provisions of sub-regulation (1) of Listing Regulations.
- 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 Listing Regulations;
- 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.

VI. DISCLOSURE

The Company shall submit the disclosure(s) of Related Party Transactions in the prescribed timeline and format to the stock exchange and publish the same on its website.

The particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 shall be disclosed in the Directors' Report.

The Company shall disclose the Policy on its website and the weblink shall be provided in the Annual Report.

POLICY REVIEW

This Policy is framed based on the provisions of the Companies Act, 2013, and rules there under and the requirements of Listing Regulations. Any subsequent amendment/ modification in the Act, Listing Regulations and/or applicable laws in this regard not being consistent with the provisions laid down under this Policy shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment/ modification. This policy shall be reviewed and updated by the board of directors at such intervals as provided in Companies Act, 2013 and rules made thereunder, and Listing Regulations as amended from time to time.