



**POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND
ON DEALING WITH RELATED PARTY TRANSACTIONS**

Date of Adoption: 1st October, 2014

Date of First Amendment: 1st April, 2019

Date of Second Amendment: 2nd May, 2022

Date of Third Amendment: 6th February, 2025



BRITANNIA INDUSTRIES LIMITED

1. Objective of the Policy

Related Party Transactions ("RPTs") can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Related party transactions are governed by the Companies Act, 2013 ("Act") read with the Rules framed there under, applicable accounting standards and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

The Policy is intended to ensure timely identification of an RPT, its salient terms and conditions, detail the approval process, outline the disclosure and reporting requirements thereof and to ensure transparency in the conduct of RPT's, so that there is no conflict of interest.

Further, as required under the Listing Regulations, the Company has framed this Policy on materiality of Related Party Transactions, including any subsequent material modifications thereof, and on dealing with Related Party Transactions ("Policy") including specifying the clear threshold limits.

This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee.

2. Terms and References:

Terms referred in this Policy shall have the same meaning as defined in the Act and SEBI Listing Regulations, 2015 respectively as assigned to them in the said Act or Regulations or any statutory modifications or re-enactment thereto, as the case may be.

3. Materiality of Related Party Transactions:

"Material Related Party Transaction" means any transaction with a related party that meets the materiality thresholds specified under the SEBI Listing Regulations, 2015.

“Material Modification” shall mean:

- i. any modification in the value of a transaction which has an effect of varying the value of a transaction as originally approved by 25% or more; and/or
- ii. any change in the essential terms and conditions of the transactions, as approved by the Audit Committee / the Shareholders as the case may be and as elaborated in **Annexure A**.

4. Manner of Dealing with the Related Party Transactions:

a. Identification of Related Parties

The Company shall identify the related parties as per the definition provided in the applicable laws and regulations, as amended from time to time.

b. Identification of Related Party Transactions

The Company shall identify transactions with the related parties, as required by applicable laws, for approval by the Audit Committee, the Board and the shareholders, as may be applicable.

c. Procedure for approval of Related Party Transactions

The Audit Committee, Board and Shareholders, as the case may be, shall be provided with all relevant details of the proposed RPTs, including the rationale for entering into such transactions, terms and conditions, business purpose, benefits to the Company and the related party and any other information required under the applicable laws and regulations.

i. Approval by the Audit Committee

All Related Party Transactions, unless exempted by the SEBI Listing Regulations and any subsequent material modifications to such transactions, shall require prior approval from the Audit Committee. However, the Company may also seek omnibus approval from the Audit Committee for proposed RPTs to be entered by the Company or its Subsidiaries, provided it complies with the provisions of the Act, applicable Rules, the SEBI Listing Regulations, 2015 and any amendments or re-enactments thereof.

Only those Members of the Audit Committee, who are Independent Directors, shall approve the Related Party Transactions.

Ratification by the Audit Committee:

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 such conditions specified in the Act and the SEBI Listing Regulations, 2015.

ii. Approval by the Board of Directors

As per Section 188 of the Act, all kinds of transactions specified under the said Section which are not in the ordinary course of business and not at the arm's length basis, are placed before the Board for its approval after the approval is accorded by the Audit Committee.

Where any Director is interested in any contract or arrangement with a related party, such Director shall not be present at the Meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

iii. Approval by the Shareholders

All the transactions with the related parties meeting the materiality thresholds and any subsequent material modifications thereto as laid down in Clause 4 of the Policy, are required to be placed before the Shareholders for prior approval subject to and in accordance with the relevant provisions of the applicable laws and all entities falling under the definition of the related parties shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.

Provided that prior approval of the Shareholders of the Company shall not be required for a Related Party Transaction to which the Listed Subsidiary is a party but the Company is not a party, if Regulation 23 and Regulation 15 of the SEBI Listing Regulations, 2015 are applicable to such Listed Subsidiary.

Explanation: For Related Party Transactions of unlisted subsidiaries of a Listed Subsidiary as referred above, the prior approval of the Shareholders of the Listed Subsidiary shall suffice.

Provided further that the requirements to obtain the approval of the Shareholders 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.

In addition to the above, all kinds of transactions specified under Section 188 of the Act which (a) are not in the ordinary course of business or are not at arm's length basis; and (b) exceed the thresholds as mentioned in Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, are to be placed before the Shareholders for their approval.

Shareholders Approval is not required for the following:

- Transactions between the Company and its Wholly Owned Subsidiary, whose accounts are consolidated with the Company and placed before the Shareholders at the General Meeting for approval.
- Transactions 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. Disclosures by the Company

The Company shall make such disclosures of Related Party Transactions in the Board's Report, Financial Statements and submit to the Stock Exchanges as required under the Act, the SEBI Listing Regulations, 2015 and applicable Accounting Standards.

6. Amendment to the Policy

This Policy shall be reviewed by the Audit Committee and the Board at least once in every three years or as and when required and update the same accordingly.

In the event of any conflict between this Policy and the Act, the SEBI Listing Regulations, 2015 or other applicable laws, the provisions of such laws shall prevail. Any amendments to these laws shall automatically apply to this Policy.

Annexure – A

Change in the essential terms and conditions of a contract / transaction would mean any of the following:

- The terms of the contract cease to be on an arms' length basis;
- Granting of any waiver, abatement or any other relief to either party, which results into a financial implication equal to 25% or more of the value of the contract;
- Any novation of the contract or arrangement to a third party.
- Any other modification considered to be material by the Audit Committee.
