SAYAJI HOTELS (INDORE) LIMITED

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RELATED PARTY TRANSACTION POLICY

1. PREAMBLE

The Board of Directors of Sayaji Hotels (Indore) Limited ("**the Company**") has framed and adopted the policy on dealing with Related Party Transaction ("**Policy**") pursuant to the provisions of the Companies Act, 2013, and rules thereunder and the requirements of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as "Listing Regulations") and procedures with regard to Related Party Transactions are defined below.

2. OBJECTIVE

This policy is framed as per the requirements of Regulation 23 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modification(s) / amendment(s) / re-enactment(s) thereof ("SEBI LODR"), ISN and in terms of Section 188 of the Act and is intended to comply with the requirements of requisite approvals, disclosures and reporting of transactions between the Company and its Related Parties.

3. DEFINITIONS

3.1 "**Audit Committee**" means the Audit Committee constituted by the Board of Directors of the Company in accordance with provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time

3.2 "**Act**" means the Companies Act, 2013

3.3 "Arms' Length Transaction" means a transaction between the Company and the Related Party 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.

3.4 "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.

3.5 "**Board**" means the collective body of Board of Directors of the Company.

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

3.7 "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.

3.8 "**Key Managerial Personnel**" or "**KMP**" in relation to a company, means:

- The Chief Executive Officer or the Managing Director or the Manager;
- The Whole-Time Director;
- The Company Secretary;
- The Chief Financial Officer;

- such other officer, not more than one level below the Directors who is in whole- time employment, designated as key managerial personnel by the Board; and
- Such other officer as may be prescribed by the rules made thereunder which includes any director, manager or key managerial personnel or any person in accordance with whose directors or instructions the Board of Directors or any one or more of the Directors is/are accustomed to act.

3.9 "**Material Related Party Transaction**" means a transaction to be entered into with related party, individually or taken together with previous transactions during the financial year, exceeding the threshold of:

Consolidated Turnover of Listed Entity Threshold	**Threshold**
Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the Company
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
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*

3.10 "Material Modifications" to a Related Party Transaction shall mean and include any modification in the existing transaction which result in change in the parties of the transaction; or change in value of the transaction by more than 20% of the original approved value; or any other modification, which the Audit Committee may, at its sole discretion, declare as 'Material modification'.

3.11 "Ordinary Course of Business" shall mean the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association.

3.12 "Promoter and Promoter Group" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

3.13 "**Related Party**" with reference to the Company means and shall have the same meaning as defined under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Accounting Standards.

3.14 "Related-Party Transaction" or **"RPT"** means - with reference to the Company means any contract or arrangement with a related party as referred under Section 188 of the Companies Act, 2013 or defined under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Accounting Standards.

3.15 "**Relative**" with reference to any person, means and shall have the same meaning as defined under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Accounting Standards

4. APPROVAL OF RELATED PARTY TRANSACTION

4.1 Prior approval of Audit Committee

All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee of the Company as per the applicable requirements of the Act or Listing Regulations, as the case may be. Only those members of the Audit Committee who are independent directors, shall approve Related Party Transactions.

In case of RPTs which are repetitive in nature, the Audit Committee may grant omnibus approval subject to the conditions and requirements of the Act or Listing Regulations, as the case may be and the criteria approved for granting the omnibus approval.

The Audit Committee may grant omnibus approval for RPTs proposed to be entered into by the Company, where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, does not exceed Rs. One thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Such Omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

Where the need for RPT cannot be foreseen and requisite details are not available, the Audit Committee may grant omnibus approval for such transaction provided that the value of each such transaction shall not exceed Rs. One crore.

Audit Committee shall review on a quarterly basis, the details of Related Party Transactions, entered into by the Company pursuant to any omnibus approval granted. The audit committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

In addition to the above, prior approval of Audit Committee of the Company shall be required for 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 listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity 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 transactions of listed entity as specified in Schedule XII of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

4.2 Prior approval of Board

All RPTs within the meaning of the Section 188 of the Act shall require prior approval of the Board.

However, no such approval of the Board shall be required in case of RPTs entered into by the Company in its ordinary course of business and on an arm's length basis.

4.3 Prior approval of Shareholders

All RPTs within the meaning of Section 188 of the Act exceeding threshold specified therein shall require prior approval of the shareholders of the Company.

However, no such approval of the shareholders is required in case of RPTs entered into by the Company in its ordinary course of business and on an arm's length basis.

All Material Related Party Transactions and subsequent material modifications shall require prior approval of the shareholders.

The approval mechanism for Related Party Transactions shall be as stipulated in the Act and / or Listing Regulations, as amended from time to time.

If any director is interested in any Related Party Transaction, he/she shall not be present at the Board Meeting, neither during the discussion on the subject matter, nor at the time of voting on the resolution relating to such Related Party Transaction.

Provided that the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

5. EXCEPTIONS TO POINT 4

i. Prior approval of the audit committee and shareholders 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 sub-regulation (2) of regulation 15 of Listing Regulation 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.

ii. Transactions entered into 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.

iii. 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.

iv. 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.

v. Transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand.

6. RATIFICATION OF RELATED PARTY TRANSACTIONS

here any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

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 sub - regulation (1) of this regulation;
(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 this regulation;
(v) any other condition as specified by the audit committee

7. REVIEW AND AMENDMENT

This Policy shall be reviewed by the Board of Directors at least once every three years or as and when any changes are to be incorporated in the Policy due to change in law, regulations or as may be felt appropriate by them. Any changes/amendment/modification in the Policy will be in writing and approved by Board of Directors of the Company.

In case of any subsequent changes in the provisions of the Companies Act, 2013, Listing Regulations or other applicable law, which makes any of the provision in the Policy inconsistent with the Act or Listing Regulations or law, then the provisions of the Act, Listing Regulations or law would prevail over the Policy and the provisions of the Policy would be modified in due course to make it consistent with law.

8. DISCLOSURE

a. This Policy shall be made available on the website of the Company and web link of the same shall be disclosed in Board's Report, as applicable.

b. The Company shall maintain a register for RPTs in such form and manner as may be prescribed under Companies Act, 2013 ("the Act") and the Rules made thereunder, Securities and Exchange Board of India (Listing of Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the circulars, if any, issued thereunder, and includes any other statute, law, standards, regulations, circulars or other governmental instruction relating to Related Party Transactions for the time being in force and such register shall be updated from time to time.

c. The Company shall submit information related to RPTs to the stock exchanges every six months, in the format specified by the SEBI LODR. The Company shall disclose policy on dealing with Related Party Transactions in the Annual Report.

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This Policy was approved by the Board of Directors at its meeting held on August 11th, 2023 and was last reviewed and amended on May 16th, 2026