

MUMBAI URJA MARG LIMITED

|| POLICY ON RELATED PARTY TRANSACTIONS ||

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1. PREFACE

This **POLICY ON RELATED PARTY TRANSACTIONS (“THE POLICY”)**, has been adopted by the Board of Directors and shall be effective from August 11th, 2025.

The Policy on Related Party Transactions (“RPT”) is a comprehensive framework established by a listed entity to govern transactions between the Company and its related parties. The primary objective of this policy is to ensure that all related party transactions are conducted in a transparent, fair and compliant manner, in line with applicable legal and regulatory requirements. It outlines the procedures for identifying related parties, approving and monitoring transactions and ensuring proper disclosures, thereby preventing any conflicts of interest that could adversely affect the interests of the Company and its stakeholders, especially minority shareholders.

In pursuance of Section 188 of the Companies Act, 2013 (“the Act”) and Regulation 23(1) & 62K(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the Board of Directors.

2. GUIDING ACT/REGULATIONS/RULES

- a) Section 188 of the Companies Act, 2013 and rules made thereunder
- b) Regulations 23 & 62K(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time

3. APPLICABILITY

This Policy shall be applicable to all transactions between the Company and its Related Parties.

4. OBJECTIVE

This Policy provides the criteria for determining materiality of the Related Party Transactions and on dealing with related party transactions. The objective of this Policy is to ensure approvals & reporting of the transactions between the Company and its Related Parties are in compliance with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and any other applicable statutory provisions for the time being in force, in this regard.

This Policy shall supplement the existing policies, if any, & practices, delegation of powers etc. already approved by the Board/Audit Committee for entering into such Related Party transactions.

5. **DEFINITIONS**

“Act” means the Companies Act, 2013 together with the rules notified thereunder including any statutory modifications or re-enactments thereof for the time being in force.

“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, as defined in explanation (b) to Section 188(1) of the Act.

“Audit Committee” or **“Committee”** means Committee of the Board of Directors of the Company constituted under Section 177 of the Companies Act, 2013 and Regulation 62F of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Board” means the Board of Directors of the Company.

“Company” or **“Organization”** means Mumbai Urja Marg Limited or MUML or the Company.

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

“Director” means a person as defined in Section 2(34) of the Companies Act, 2013.

“Employees” shall mean the employees and office-bearers of the Company, including but not limited to Directors

“High value debt listed entities” (HVDLE) means the listed entity which only has non-convertible debt securities listed, with an outstanding value of Rupees One Thousand Crore and above and does not have any listed specified securities

“Key Managerial Personnel” shall mean the officers/employees of the Company as defined in Section 2(51) of the Companies Act, 2013.

“Material Modification” Material modifications in relation to the Related Party Transaction(s) shall mean any change / variation / modification in an existing related party transaction / contract / arrangement, the financial effect of which is an increase in the per

annum value of the relevant related party transaction / contract / arrangement by 25% or such modifications as may be decided by the Audit Committee.

“Ordinary course of business” means 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 its Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

“Policy” means the Policy on Related Party Transactions.

“Related Party” shall have the same meaning as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Related Party Transactions” shall mean such transactions as specified under the Companies Act, 2013 and Regulation 2(1)(zc) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment or modification thereof, as may be applicable.

“Relative” means a relative as defined in section 2(77) of the Companies Act, 2013 and Regulation 2(1)(zd) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Senior Management” shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as Key Managerial Personnel, other than the Board of Directors, by the listed entity.

“Subsidiary” means a subsidiary as defined under section 2(87) of the Companies Act, 2013 (‘Act’).

6. **MATERIALITY OF RELATED PARTY TRANSACTIONS**

A transaction with a related party shall be considered 'material' if the transaction(s) to be entered into individually or taken together with

previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or INR 1000 crores, whichever is lower.

Notwithstanding the above, 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.

7. APPROVALS AND RATIFICATION WITH RESPECT TO RELATED PARTY TRANSACTIONS

In compliance and as provided in Sections 177 and 188 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, the following process is put in place:

Approval of the Audit Committee

- a. All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee of the Company. Provided that only those members of the Audit Committee, who are independent Directors, shall approve related party transactions;
- b. All related party transactions to which the subsidiary of a Company is a party but the Company is not a party, shall require prior approval of the Audit Committee of the Company if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover, as per the last audited financial statements of the listed entity;
- c. All related party transactions to which the subsidiary of a Company is a party but the listed entity is not a party, shall require prior approval of the Audit Committee of the Company 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;
- d. 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 after obtaining approval of the Board of Directors, specify the criteria for granting the omnibus approval in line with the Policy and such approval shall include the following:
 - i. Maximum value of the transaction in aggregate, which can be allowed under the omnibus route in a year;
 - ii. The maximum value per transaction which can be allowed;
 - iii. The extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
 - iv. Review at such intervals as the Audit Committee may deem fit, Related Party Transactions entered into by the Company pursuant to each omnibus approval made;
 - v. Transactions which cannot be subject to the omnibus approval by the Audit Committee.
- While granting omnibus approval, 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;
- Provided that where the need for Related Party Transactions 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 crore per transaction.
- Audit Committee shall review, atleast on a quarterly basis, the details of RPTs entered into by the Company pursuant to each of the omnibus approval given.
- Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- e. All material related party transactions and subsequent material modifications as defined by the Audit Committee shall require prior No-

Objection Certificate from the Debenture Trustee and the Debenture Trustee shall in turn obtain No-Objection from the debenture holders who are not related with the Issuer and hold atleast more than fifty percent of the debentures in value, on the basis of voting including e-voting.

- f. After obtaining approval of the debenture holders, approval of the shareholders through resolution shall be obtained.

For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders and No-objection Letter from Debenture Trustee of the listed subsidiary, in the manner as specified in Regulation 62K of listing regulations, shall be obtained.

Provided that the requirements specified above 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

Approval of the Board

In case Related Party Transactions are referred by the Company to the Board for its approval due to the transaction being:

- (i) not in the ordinary course of business, or
- (ii) not at an arm's length price,

the Board will consider few factors such as the nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into the transaction(s).

On such consideration, the Board may approve the transaction(s) or may require such modifications to transaction terms as it deems appropriate under the circumstances.

Any member of the Board who has any interest in any Related Party Transaction(s) will recuse himself/herself and abstain from discussion and voting on the approval of the Related Party Transaction(s).

Approval of Shareholders

If a Related Party Transaction is:

- (i) a material transaction as per Regulations 23 & 62K of the

- Listing Regulations, or
- (ii) not in the ordinary course of business, or
- (iii) not at arm's length price and
- (iv) exceeds certain thresholds prescribed under the Act

then such RPT and any subsequent material modification thereto, shall require shareholder's approval by a resolution.

In such a case, any member of the Company who is a Related Party, irrespective of being related to the said transaction or not, shall not vote on the resolution passed for approving such Related Party Transaction(s).

The provisions of Regulations 23 & 62K of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall not be applicable in case of transactions entered into between a holding Company and its wholly owned subsidiary and between two wholly-owned subsidiaries, whose accounts are consolidated with such holding Company and placed before the shareholders at the general meeting for approval.

8. REPORTING OF RELATED PARTY TRANSACTIONS

- i) Every contract or arrangement, which is required to be approved by the Board or the shareholders under this Policy, shall be referred to in the Board Report to the shareholders along with the justification for entering into such contract or arrangement.
- ii) The details of all transactions with related parties shall be submitted, in the format specified, half yearly to the stock exchanges as per the manner and timelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same shall be published on the Company's website.

9. CRITERIA/DOCUMENTS/PROCESS FOR ALL TRANSACTIONS WITH RELATED PARTIES

- i. For all the transactions, due documentation by way of contract/agreement/ bills/invoices/ should be in place.
- ii. All the related party transactions shall be subject to the applicability, limits, enablement and other conditions as prescribed under the applicable Acts, Rules, Regulations and circulars and guidelines of Regulatory authorities including RBI, NHB, SEBI, MCA, Income Tax, etc.
- iii. In case of infrastructure and common sharing arrangement, the

terms of arrangement including the nature and quality of services, consideration and other terms and conditions shall be as comparable with the terms if availed from the market/third parties.

- iv. In case of purchase/ sale of fixed assets or other assets, the same shall be at market prices or per the valuer certificate.
- v. Related Party Transactions shall be approved after assessing all material terms and conditions of the transaction and ensure that the terms are comparable with the market rates/practices at the particular point of time and on arms length basis.
- vi. The following information will be taken into account when assessing a Related Party Transaction:
 - a. The terms of such transaction;
 - b. The Related Person's interest in the transaction;
 - c. The purpose and timing of the transaction;
 - d. the nature of the Company's participation in the transaction;
 - e. If the transaction involves the sale of an asset, a description of the asset, including date acquired and costs basis;
 - f. Information concerning potential counterparties in the transaction;
 - g. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction and
 - h. Any other relevant information regarding the transaction as per the regulatory guidelines
 - i. Where 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 special resolution in the general meeting, should be 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. If the said ratification is not done such contract or arrangement shall be voidable at the option of the Board.

10. RATIFICATIONS

In exceptional circumstances, where it is not feasible to seek prior approval of the Audit Committee, Board of Directors and / or shareholders, as the case may be, in respect of any Related Party Transaction, then it shall be required to be ratified by the Audit Committee, Board of Directors and/or shareholders, as the case may be, within a period of three months of entering into the Related Party Transaction.

Further, while submitting proposal for ratification of Related Party Transactions by the Audit Committee / Board / shareholders, the

concerned department shall incorporate adequate justification for entering into Related Party transactions without seeking prior approvals, in the agenda note.

In circumstances where:

- (i) any transaction involving any amount not exceeding Rupees one crore is entered into by a Director or officer of the Company, without obtaining the approval of the Audit Committee, and/or
- (ii) any contract or arrangement is entered without prior approval of the Board or shareholders, as the case may be;

and the same is not ratified by the Audit Committee / Board / Shareholders within three months from the date of the transaction or date on which such contract or arrangement was entered into, such transaction shall be voidable at the option of the Audit Committee/Board/shareholders, as the case may be, and if the transaction, contract or arrangement is with the related party of any Director or is authorized by any other Director, the Director concerned shall indemnify the Company against any loss incurred by it.

11. DISCLOSURES

- (a) Every Contract or arrangement entered with Related Party with the approval of the Board/shareholders in line with Section 188 of the Act is required to be referred in the Board Report to the shareholders along with justification for entering into such contracts or arrangements.
- (b) The particulars of prescribed contracts or arrangements with related parties shall be disclosed in the Board Report of the Company for every financial year in Form AOC-2, pursuant to provisions of Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.
- (c) Details of transactions entered with any Related Party of the Company shall be furnished to the Company Secretary within a period of 15 days from the end of each quarter, in Form AOC-2 for putting up the same for information of the Audit Committee and Board of Directors.
- (d) Details of all material transactions with related parties shall be

disclosed quarterly along with the compliance report on Corporate Governance, for onward submission to Stock Exchanges.

- (e) This Policy shall be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report.
- (f) Any other disclosures as may be required in accordance with the applicable statutory provisions.

12. POLICY REVIEW

The policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly. The provisions of this Policy may be amended at any time and is subjected to further guidance from the Audit Committee and approval from the Board of Directors.

13. AMENDMENTS TO THE POLICY

The Board shall review and amend this Policy as and when required and as per RPT Provisions. If at any point a conflict of interpretation / information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail. Any subsequent amendment/modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

Effective & Adopted with effect from – August 11th, 2025