

**Policy**  
*On*  
**Materiality of Related Party Transactions**  
**and Dealing with Related Party**  
**Transactions**

## **1. Preamble**

This Policy is formulated on Materiality of Related Party Transactions (hereinafter referred to as “RPT”) and dealing with RPTs with clear threshold limits as approved herein below as required under applicable provisions of the Companies Act, 2013 (hereinafter referred to as “Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”).

## **2. Purpose of the Policy**

This Policy is adopted to monitor and manage potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in RPTs. This Policy clearly defines the process of obtaining the approval of the Board, Committee or Shareholders, as the case may be, for entering into RPTs in compliance with the Act and Listing Regulations and strives to adopt the good practices to carry out RPT in fair and transparent manner.

## **3. Applicable Definitions**

- 3.1. Act** means Companies Act, 2013;
- 3.2. 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;
- 3.3. Board** means the Board of directors of PTC India Ltd.;
- 3.4. Committee** means the Audit committee of Board as defined under the Companies Act, 2013 and the Listing Regulations ;
- 3.5. Company** means PTC India Ltd.;
- 3.6. Key Managerial Personnel** or KMP means:
  - (i) Managing Director, or Chief Executive Officer or Manager;
  - (ii) Company Secretary;
  - (iii) Whole time Director;
  - (iv) Chief Financial Officer;
  - (v) 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
  - (vi) such other officer as may be prescribed
- 3.7. Listing Regulations** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 3.8. Material Modifications** In relation to a Related Party Transaction approved by the Audit Committee or a material related party transaction approved by the Shareholders, as the case may be, material modifications means any variation over and above the approved limits.

**3.9. 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 one thousand crore or ten percent of the annual consolidated turnover as per the last audited financial statements of the Company, whichever is lower.

However, 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.

**3.10. Related Party transactions** means such contract or arrangement as referred to and defined under the Act and Listing Regulations (*Refer Annexure I for details*).

**3.11. Policy** means this Policy;

**3.12. Rules** means the Company (Meetings of Board and Its Powers) Rules, 2014;

**3.13. Related Party** means such party as defined under the Act, Listing Regulations and applicable accounting standards. (*Refer Annexure II for details*)

**3.14. Relative** means relative as defined under the Companies Act, 2013. A person shall be deemed to be relative of another, if he or she is related to another in the following manner, namely:

- i. they are members of a Hindu undivided family;
- ii. they are husband and wife; or
- iii. Father (including step-father)
- iv. Mother (including step-mother)
- v. Son (including step-son)
- vi. Son's wife
- vii. Daughter
- viii. Daughter's husband
- ix. Brother (including step-brother)
- x. Sister (including step-sister)
- xi. Brother's wife
- xii. Sister's husband

#### **4. The Policy**

Following is the structure of dealing with transactions between the Company and Related Parties and between Related Parties (where Company is not the party):

- Identification of Related Parties and potential Related Party Transactions;
- Approval of Related Party Transactions; and
- Disclosure of Related Party Transactions.

#### **4.1. Identification of related party and potential Related Party Transactions:**

- (i) Before commencement of a financial year, the Company is to review and update the list of identified “Related Parties” for the Group as per the applicable laws/ regulations of Companies Act and SEBI (LODR). Further, the Company may also review the list of related parties on a quarterly basis.
- (ii) Once the Company has identified the list of Related Parties for the Group, the next step is to identify the RPTs envisaged to be undertaken along with expected quantum of such transaction.
- (iii) All RPTs shall be placed before the Audit Committee of the Company for its approval.

Any employee of the Company who is aware of any transaction that is or may be perceived to be a RPT is required to bring the same to the attention of the Company Secretary (or such other person who may be entrusted for this purpose by the Audit Committee) who would in turn take necessary steps to place the same before the Audit Committee.

All Directors and Key Managerial Personnel (KMPs) are responsible for informing the Company of their interest (including interest of their Relatives) in other companies, firms or concerns at the beginning of every financial year and any change in such interest during the year, immediately on occurrence. Further, Directors and KMPs should disclose to the Board whether they, directly, indirectly, or on behalf of third parties, have interest in any transaction or matter directly affecting the Company.

In addition, all Director and KMPs are responsible for giving notice to the Company Secretary of any potential RPT involving them or their Relatives. Such notice of any potential RPT should be given well in advance so that the Company has adequate time to obtain and review information about the proposed transaction and place the same before the Audit Committee.

- (iv) The Audit Committee will determine whether or not transactions as mentioned above constitute a RPT, requiring the compliance with this Policy. The Audit Committee shall review information about the proposed transaction, and refer it to the Board of Directors for its approval, if required.

#### **4.2. Approval of Related Party Transactions:**

##### **4.2.1. Audit Committee**

1. All Related Party Transactions and subsequent material modification shall require prior approval of the Audit Committee of the Company.
2. A related party transaction to which the subsidiary of the 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 per cent of the annual consolidated turnover as per the last audited financial statements of the Company (w.e.f. 01.04.2023, of the annual standalone turnover as per the last audited standalone financial statements of the subsidiary).

Prior approval of the audit committee 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 sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

3. Unless otherwise stated in this Policy, all RPTs, other than transactions which are in the ordinary course of business and which are on arm's length basis between the Company and wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the shareholders of the Company at the general meeting for approval and between two wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the shareholders of the Company at the general meeting for approval, shall require prior approval of the Audit Committee of the Company. Transactions between the Company and wholly owned subsidiary and between two wholly owned subsidiaries, which are in the ordinary course of business and are on arm's length basis will also, as a measure of good governance, be placed before the Audit Committee for information.
4. Only those members of the Audit Committee of the Company, who are independent directors, shall approve proposed RPTs.
5. The Company shall provide the following information, for review of the audit committee for approval of a proposed RPT:
  - a. Type, material terms and particulars of the proposed transaction;
  - b. Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);
  - c. Tenure of the proposed transaction (particular tenure shall be specified);
  - d. Value of the proposed transaction;
  - e. The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
  - f. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:
    - i) details of the source of funds in connection with the proposed transaction
    - ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
      - nature of indebtedness;
      - cost of funds; and
      - tenure;
    - iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and

- iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
- g. Justification as to why the RPT is in the interest of the Company;
- h. A copy of the valuation or other external party report, if any such report has been relied upon;
- i. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
- j. Any other information that may be relevant

The audit committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

However, the Audit Committee may grant omnibus approval for RPTs proposed to be entered into by the company subject to the following conditions:

- a. The Committee needs to justify the need of granting omnibus approval for its RPTs and their repetitiveness in the past/ future,
  - b. 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.
  - c. Where the need for RPTs cannot be foreseen and where the details of omnibus approval are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.
  - d. Where the Audit Committee does not approve any RPT, it shall make appropriate recommendation to the Board for its consideration.
6. The Audit Committee while granting omnibus approval shall adopt the following criteria's:
- a. The maximum value of the transactions, in aggregate, which can be allowed under omnibus route in a year, will be 5% of the annual turnover of the Company as per its last audited financial statements.
  - b. The Maximum value per RPT which can be approved under omnibus route will be 2.50% of the annual turnover of the company as per last audited financial statements of the company,
  - c. Extent and manner of disclosures to be made to the committee at the time of seeking omnibus approval;
  - d. The 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.

- e. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year."
7. The following transactions will not be subject to the omnibus approval of the Audit Committee but may be approved by the Committee as and when required:
- a. Transactions which are not at arm's length or not in the ordinary course of business;
  - b. Transactions which are not repetitive in nature;
  - c. Transactions exceeding materiality thresholds as laid down above;
  - d. Omnibus approval route is not applicable in case of selling or disposing off the undertakings of the Company;
  - e. Financial Transactions e.g. Loan to related parties, Inter Corporate Deposits, subscriptions to bond, debenture or preference shares issued by the related parties, corporate guarantee given/received from related parties;
  - f. Any other transaction the Audit Committee may deem not fit for omnibus approval.

Note: Where the need for related party transaction cannot be foreseen and required details are not available, audit committee may make omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

Where any RPT amounting to not more than rupee one crore is entered without the approval of Audit Committee, then RPT shall be ratified by the Committee within three months from the date of transaction. Otherwise, it shall be voidable at the option of the Committee. In case of RPT amounts to more than rupee one crore then it shall be ratified by the Board of the Company.

8. In determining whether to approve a RPT, the Committee will consider the following factors, among others, to the extent relevant to the RPT:
- i. Whether the terms of the RPT are fair and on arm's length basis to the Company.
  - ii. Whether the nature of the proposed transaction is something that the Company would have ordinarily done in the course of its business;
  - iii. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
  - iv. Where the ratification of the RPT is allowed by law and is sought from the Committee, the reason for not obtaining the prior approval of the Committee and the relevance of business urgency and whether subsequent ratification would be detrimental to the Company or in contravention of any law; and
  - v. Any other factor the Committee deems relevant for reviewing and approving such RPT.

Any member of the Audit Committee, who has a potential interest in any RPT, will recuse himself or herself and abstain from discussion or voting on the approval or ratification of such RPT.

#### **4.2.2. Board of Directors**

As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and **which** are not in the ordinary course of business or not at arm's length basis, are placed before the Board for its approval. (*Refer Annexure I for transactions specified under Section 188*)

In addition to the above, the following kinds of transactions with related parties are also placed before the Board for its approval apart from approval of the Audit Committee:

- a. Transactions which may be in the ordinary course of business and at arm's length basis, but which are beyond value threshold and / or other parameters as per the policy determined by the Board from time to time;
- b. Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;
- c. Transactions which are in the ordinary course of business and at arm's length basis, but which as per Audit Committee requires Board approval.

Any member of the Board, who has a potential interest in any RPT, will recuse himself or herself and abstain from discussion or voting on the approval or ratification of such RPT.

#### **4.2.3. Shareholders' Approval**

1. Shareholders' approval shall be required for the following Transaction(s):

- a. All the Material s and subsequent material modifications as defined in Clause 3.9 and Clause 3.8 of the policy shall require prior approval of the shareholders through a resolution.

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 sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

- b. In addition to the above, all kinds of transactions specified under Section 188 of the Act which (a) are not at arm's length or not in the ordinary course of business; and (b) exceed the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 are placed before the shareholders for its prior approval.

All entities falling under the definition of related party shall not vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

#### **4.2.4. Information to be provided to Shareholders for consideration of RPT**

The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:

- a. A summary of the information provided by the management of the Company to the audit committee as specified in point 5 of 4.2.1 above;
- b. Justification for why the proposed transaction is in the interest of the Company;
- c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details specified under point 5(f) of 4.2.1 above; (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/NBFCs.)
- d. A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;
- e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
- f. Any other information that may be relevant

#### **4.3. Disclosure of Related Party Transactions**

- 4.3.1. Every material RPT entered into shall be disclosed to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.
- 4.3.2. Adequate disclosure of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- 4.3.3. The Company shall disclose the Policy on dealing with RPTs on its website and also a web link thereto shall be provided in the Annual Report. In addition to the disclosures required under the Accounting Standards, RPTs that are not at arm's length basis and Material RPTs that are at arm's length or such other transactions as may be statutorily required, shall be disclosed in the Annual Report of the Company as part of the Board's Report.
- 4.3.4. A register of RPTs shall be maintained as per the Companies Act, 2013 and placed before the Board and signed by all the directors present at the Meeting.
- 4.3.5. Details of all RPTs shall be disclosed to the Stock Exchanges every six months in the prescribed format and within the time prescribed.

## **5. Related Party Transactions that shall not require Approval**

Following RPTs shall not require any separate approval under this Policy:

- a. Any transaction pertaining to appointment and remuneration of Directors and KMPs that require approval of the Nomination and Remuneration Committee of the Company and the Board;
- b. Transactions that have been approved by the Board under the specific provisions of the Companies Act, 2013 e.g. inter-corporate deposits, borrowings, investments etc. with or in wholly owned subsidiaries or other Related Parties;
- c. Transactions involving corporate restructuring, such as capital reduction, merger, demerger, hive-off etc. which are in accordance with provisions of the Companies Act, 2013 or the Listing Regulations, 2015;
- d. Contribution towards Corporate Social Responsibility (CSR) within the overall limits approved by the Board that require approval of the CSR Committee.

The above transactions between the Company and the related parties will also, as a measure of good governance, be placed before the Audit Committee for information.

## **6. Related Party Transactions not approved under the Policy:**

In the event the Company comes to know of a RPT that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Committee shall consider all the relevant facts & circumstances regarding the said transaction and shall evaluate all options available with the Company including revision, ratification or termination of the RPT. The Committee shall also examine the reasons for not reporting the RPT to the Committee and shall take any reasonable action in this regard as it deems appropriate.

In case the Committee decides not to ratify a RPT that has been commenced without approval, the Committee, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with the review of the RPT, the Committee has authority to modify/waive any procedural requirements of this Policy to the extent not in conflict with the requirement of law.

## **7. Amendments to the Policy**

The Audit Committee of the Company shall review this Policy from time to time, but at least once every three years, and may recommend amendments to the same for approval of the Board.

In case of any amendments(s), clarification(s), circular(s) etc. issued by relevant authorities not being consistent with the provisions laid down in this Policy, then such amendments(s), clarification(s), circular(s) etc. shall prevail upon the provisions herein and this Policy shall stand amended accordingly from the effective date as laid down under such amendments(s), clarification(s), circular(s) etc.

## **8. Communication**

This Policy will be communicated to all Directors, KMPs and other concerned persons of the Company.

## Related Party Transactions

### **I. Related Party Transactions specified under Section 188 of the Act.**

- a) *sale, purchase or supply of any goods or materials.*
- b) *selling or otherwise disposing of, or buying, property of any kind;*
- c) *leasing of property of any kind;*
- d) *availing or rendering of any services;*
- e) *appointment of any agent for purchase or sale of goods, materials, services or property;*
- f) *such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and*
- g) *underwriting the subscription of any securities or derivatives thereof, of the company.*

### **II. SEBI LODR Regulations, 2015- Definition of Related Party Transaction**

#### Chapter 1, Section 2(ZC)

“related party transaction” means a transaction involving a transfer of resources, services or obligations between:

- (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- (ii) a listed entity 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 listed entity 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:

Provided that the following shall not be a related party transaction:

- (a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
  - i. payment of dividend;
  - ii. subdivision or consolidation of securities;
  - iii. issuance of securities by way of a rights issue or a bonus issue; and
  - iv. buy-back of securities.
- (c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);

**Related party defined under the Act, Listing Regulations and applicable Accounting Standards.**

**1. Companies Act, 2013**

**Definition of Related Party - Section 2(76) of the Companies Act, 2013**

*Related party, with reference to a company, means*

- (i) a director or his relative;*
- (ii) a key managerial personnel or his relative;*
- (iii) a firm, in which a director, manager or his relative is a partner;*
- (iv) a private company in which a director or manager is a member or director;*
- (v) a public company in which a director or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;*
- (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;*
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:  
Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;*
- (viii) any company which is
  - A. a holding, subsidiary or an associate company of such company; or*
  - B. a subsidiary of a holding company to which it is also a subsidiary;*
  - C. an investing company or the venture of the company**
- (ix) such other person as may be prescribed;*

*For the purposes of sub-clause (ix) of clause (76) of section 2 of the Act, a director [other than an independent director] or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.*

**Definition of relative - Section 2(77) of the Companies Act, 2013**

*“Relative”, with reference to any person, means any one who is related to another, if:*

- (i) they are members of a Hindu Undivided Family;*
- (ii) they are husband and wife; or*

*(iii) one person is related to the other in such manner as may be prescribed.*

**Definition of Subsidiary - Company Section 2(87) of the Companies Act, 2013**

*“Subsidiary company” or “subsidiary”, in relation to any other company (that is to say the holding company), means a company in which the holding company:*

- (i) controls the composition of the Board of Directors; or*
- (ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies.*

**Definition of Member - Section 2(55) of the Companies Act, 2013**

*“Member”, in relation to a company, means:*

- (i) the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;*
- (ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;*
- (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository.*

**Definition of Key Managerial Person - Section 2(51) of the Companies Act, 2013**

*“Key managerial personnel”, in relation to a company, means:*

- (i) the Chief Executive Officer or the managing director or the manager;*
- (ii) the company secretary;*
- (iii) the whole-time director;*
- (iv) the Chief Financial Officer;*
- (v) 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*
- (vi) such other officer as may be prescribed.*

**Definition of Holding Company - Section 2(46) of the Companies Act, 2013**

*“Holding company”, in relation to one or more other companies, means a company of which such companies are subsidiary companies.*

*‘Explanation.—For the purposes of this clause, the expression “company” includes any body corporate*

**Definition of Body Corporate - Section 2(11) of the Companies Act, 2013**

*“Body corporate” or “Corporation” includes a company incorporated outside India, but does not include”*

(i) a co-operative society registered under any law relating to co-operative societies; and

(ii) any other body corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf;

## **2. Related party as per Ind AS 24**

### As per Para 9 of Ind AS 24

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

**(a) A person** or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control of the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

**(b) An entity** is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

(a) that person's children, spouse or domestic partner, brother, sister, father and mother;

(b) children of that person's spouse or domestic partner; and

*(c) dependents of that person or that person's spouse or domestic partner.*

### **3. SEBI LODR Regulations, 2015- Definition of Related Party**

#### Chapter 1, Section 2(ZB)

*"Related party" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:*

*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:*

*a. of twenty per cent or more; or*

*b. 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:*

*Provided [further] that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s).*