



THE BOMBAY BURMAH TRADING CORPORATION, LIMITED

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

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| Adopted on | 1st October, 2014 |
| Amended on | 13th May, 2019 |
| Amended on | 30th May, 2022 |
| Amended on | 12th February, 2025 |

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

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 Bombay Burmah Trading Corporation, Limited (“the Corporation”) has framed the 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 Corporation based on recommendations of the Audit Committee.

2. TERMS AND REFERENCES

Terms referred to in this Policy shall have the same meaning as defined in the Act and Listing Regulations respectively as amended by any statutory modifications or re-enactment thereto from time to time, 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 / Shareholders as the case may be and as elaborated in Annexure.

4. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

a) Identification of related parties

The Corporation shall identify Related Parties as per the definition provided in the applicable laws and regulations, including the Act and the Listing Regulations, as amended from time to time.

b) Identification of related party transactions

The Corporation will identify transactions falling under contracts and arrangements, as per the applicable laws, entered into with related parties for the consent of the Audit Committee, Board of Directors and 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 information of RPTs such as rational for entering into transactions, terms & conditions, the business purpose of the transactions, the benefits to the Corporation and Related Party and such other information as may be prescribed under applicable laws.

- **Approval of the Audit Committee**

All related party transactions and any subsequent material modifications thereof, shall require the prior approval of the Audit Committee of the Board. However, the Corporation may obtain omnibus approval from the Audit Committee for related party transactions proposed to be entered into by the Corporation or by its subsidiary subject to and in the compliance with the Act and Rules made thereunder and Listing Regulations and any statutory modifications or re-enactment thereof.

Only those members of the audit committee, who are independent directors, shall approve related party transactions.

5. 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.

- **Approval of Board of Directors**

As per the provisions of 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 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.

- **Approval of shareholders**

All the transactions with related parties meeting the materiality thresholds and any subsequent material modifications thereto as laid down in Clause 3 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 including the Act and Listing Regulations and all entities falling under the definition of related parties shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.

The prior approval of the shareholders of the Corporation shall not be required for a related party transaction to which the listed subsidiary is a party but the Corporation is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of Listings 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.

Provided further that the requirements specified under this sub-regulation 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 Companies (Meetings of Board and its Powers) Rules, 2014, are to be placed before the shareholders for its approval.

Requirement for seeking shareholders' approval shall not be applicable to transactions between the Corporation and its wholly owned subsidiary, if any, whose accounts are consolidated with the Corporation.

Further shareholders' approval shall also not be applicable to transactions entered into between two wholly-owned subsidiaries of the Corporation, whose accounts are consolidated with such holding Corporation and placed before the shareholders at the general meeting for approval.

6. DISCLOSURES BY THE CORPORATION

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.

7. AMENDMENT OF THIS POLICY

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

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 Standard

Annexure

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.