

# REGENT ENTERPRISES LIMITED

## Revised Policy on Related Party Transactions

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### **PREAMBLE**

The Board of Directors (the “Board”) of the Company understands the importance of stakeholders’ confidence and trust in the Company. In order to preserve the same with transparency and to ensure that there is no conflict of interest inflicting any apprehension in the minds of its stakeholders, the Board of the Company, based on the recommendation of its Audit Committee (the “Committee”), has revised the policy and procedures with respect to Related Party Transactions of the Company as required under the Regulation 23 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Companies Act, 2013 as amended from time to time.

### **PURPOSE**

The policy is not only in the best interests of its stakeholders but also in best corporate governance with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to Regulation 23 of the Listing Regulations, a policy needs to be formulated to deal with Related Party Transactions including formulating a policy on materiality of Related Party Transactions. This policy therefore lays down the mechanism to deal with Related Party Transactions.

### **DEFINITIONS**

“Act” means the Companies Act, 2013 (‘Act’) read with the Rules thereto including any subsequent amendments thereof.

“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.

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

“Board” means Board of Directors of the Company.

“Company” means Regent Enterprises Limited.

“Industry Standards” means Industry Standards on Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction(RPT)(s) as issued by Securities and Exchange Board of India (SEBI) vide its circular ref. no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025.

“Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any subsequent amendments

thereof.

“Material modifications” means any modifications to the material related party transactions which were approved by the Audit Committee or Shareholders during the year which will change the complete nature of the transaction and in case of monetary thresholds which is in excess of 10% of the originally approved transaction, in case of exigencies only.

“Material 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 rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower, as defined proviso to Regulation 23(1) of the Listing Regulations and the contracts or arrangements given under Companies Act, 2013.
- A Transaction involving payments made to 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 exceeds 5% of annual consolidated turnover of the Company as per the last audited financial statements.

Provided that in case of any amendment to the Act or Listing Regulations, definition of Material Related Party Transactions will be deemed to be changed without any further approval of Audit Committee and Board.

“Related Party” means a related party as defined in Section 2(76) of the Companies Act, 2013 read with Rules thereto and clause (zb) of Regulation 2 of the Listing Regulations.

“Related Party Transaction” or “RPT” means transactions as given under clause (a) to (g) of subsection (1) of Section 188 of the Act and the corresponding Rules thereto and as defined in clause (zc) of Regulation 2 of the Listing Regulations. These include sale, purchase, leasing or supply of goods or property, availing/ rendering of any services, appointment of agents for any of these transactions, underwriting of securities and transfer of resources, services or obligations between the Company and its related party/ies, regardless of whether a price is charged or not.

## **MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS**

### **1) Identification of related parties:**

The Company 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.

The Company shall regularly verify and update the Related Party list in accordance with the applicable laws as prevalent.

## **2) Procedure for approval of related party transactions**

### **AUDIT COMMITTEE APPROVAL**

All RPTs shall be referred to the Audit Committee for prior approval, irrespective of its materiality. The Audit Committee shall also approve any subsequent material modification of RPTs.

The board of the company shall provide the Audit Committee all the information, as specified in Para 4 of Industry Standards, while placing any proposal for review and approval of a RPT.

- Prior approval of Audit Committee is required for the following Related Party Transactions and only those members of the audit committee, who are independent directors, shall approve related party transactions:
  - i. Where Company is a party.
  - ii. Where subsidiary of the Company is a party but the Company is not a party, 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.
    - iii. Where subsidiary of the Company is a party but the Company is not a party, 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;
    - iv. prior approval of the audit committee of the listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

And for related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (d) above, the prior approval of the audit committee of the listed subsidiary shall suffice.

- The Audit Committee will take into account the information provided by management pursuant to para 4 of Industry standards and comments of management thereof for its considerations while approving any RPTs.

### **Omnibus Approval**

The Audit Committee may grant omnibus approval for related party transactions which are repetitive in nature and subject to such criteria/conditions as mentioned under Listing Regulations and such other conditions as it may consider necessary in line with this policy and in the interest of the Company.

The audit committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the listed entity;

(c) the omnibus approval shall specify:

(i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall 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 transaction cannot be foreseen and aforesaid details are not available, audit committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year. Additionally, the Committee may also grant omnibus approval for RPTs of unforeseen nature not exceeding Rupees One Crore.

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

### **Board Approval**

The Board shall approve RPTs, which are not in ordinary course of business and/or not at arm's length.

In case of transaction, other than transactions as specified under section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board:

In case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the company against any loss incurred by it.

## Shareholders' Approval

All material RPTs defined under Regulation 23 of Listing Regulations shall require approval of the Board and shareholders, and the related parties shall abstain from voting on such resolutions irrespective of whether the entity is a party to the particular transaction or not.

RPTs exceeding the limits prescribed under the Act and not in ordinary course of business and/or arm's length basis, shall require prior approval of the Board and shareholders, respectively.

- Information to be provided to shareholders for consideration of RPTs include the following information as a part of the explanatory statement:
  - a) name of the related party.
  - b) name of the director or key managerial personnel who is related, if any.
  - c) nature of relationship.
  - d) nature, material terms, monetary value and particulars of the contract or arrangements.
  - e) any other information relevant or important for the members to take a decision on the proposed resolution.
  - f) Information as placed before the Audit Committee in the format as specified in Para 4 of Industry Standards, to the extent applicable.
  - g) The Audit Committee can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity from disclosures to shareholders. Further, the Audit Committee shall certify that, in its assessment, the redacted disclosures still provide all the necessary information to the public shareholders for informed decision-making.
  - h) Justification as to why the proposed transaction is in the interest of the listed entity.
  - i) Statement of assessment by the Audit Committee that relevant disclosures for decision-making were placed before them, and they have determined that the promoter(s) will not benefit from the RPT at the expense of public shareholders.
  - j) Disclose the fact that the Audit Committee had reviewed the certificate provided by the CEO or CFO or any other KMP as well as the certificate provided by the promoter directors of the Listed Entity as required under Para 3(2)(b) of Industry Standards.
  - k) Copy of the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT.
  - l) In case of sale, purchase, or supply of goods or services *[as provided in B(2) in the format as specified in Para 4 of Industry Standards]*, or the sale, lease, or disposal of assets of a subsidiary, unit, division, or undertaking of the listed entity *[as provided in B(7) in the format as specified in Para 4 of Industry standards]*, if the Audit Committee has reviewed the terms and conditions of bids from unrelated parties then such fact shall be stated. In case bids have not been invited, the fact shall be disclosed along with the justification thereof, and in case comparable bids are not

available, state the basis for recommending that the terms of the RPT are beneficial to the shareholders.

- m) Comments of the Board/ Audit Committee of the listed entity, if any.
- n) Any other information that may be relevant.

#### **DISCLOSURE AND REPORTING**

- a. Details of Related Party Transactions during each half year shall be presented before the Audit Committee and Board Meetings for review.
- b. The Company shall report to the Stock Exchange the details of all transactions with related parties in the formats as prescribed by SEBI from time to time on half year basis.
- c. the company shall publish the related party transactions in the format as specified on the website of the company i.e. [www.regententerprises.in](http://www.regententerprises.in).
- c. Director's report shall contain details of Related Party Transactions as required under applicable law.
- d. This Policy shall be communicated to all concerned employees and other persons of the Company at all locations for implementation and reporting.

#### **APPLICABILITY & AMENDMENT:**

Any Changes to the policy on account of regulatory requirements will be reviewed and approved by the Audit Committee or the Board. The Audit Committee/ Board will give suitable directions/ guidelines to implement the same. The Policy shall be reviewed by the Audit Committee and the Board in every three years.

In the event, any provisions contained in this Policy is inconsistent with the provisions contained in the Listing Regulations, the Companies Act, 2013 or Accounting Standards, etc. or any amendments thereto, (Regulatory Acts), the provisions contained in the Regulatory Acts will prevail.

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***Reviewed and approved by board at their meeting held on May 29, 2025.***