

**BAJAJ HOLDINGS & INVESTMENT LIMITED**

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

<b>Version control</b>			
<b>Version</b>	<b>Date of Approval / Amendment</b>	<b>Remarks</b>	<b>Author</b>
1.0	17 July 2014	Adoption of the Policy	Secretarial Team
1.1	15 October 2014	Amendment in the Policy	Secretarial Team
1.2	14 March 2019	Amendment in the Policy	Secretarial Team
1.3	13 March 2020	Amendment in the Policy	Secretarial Team
1.4	16 March 2022	Amendment in the Policy	Secretarial Team
1.5	15 March 2023	Annual Review	Secretarial Team
1.6	21 March 2024	Annual Review	Secretarial Team
1.7	21 March 2025	Annual Review	Secretarial Team
1.8	4 February 2026	Amendment in the Policy	Secretarial Team

**Background/Objective:**

The Company has adopted a policy on materiality of & on dealing with related party transactions ('RPT') ('Policy') in line with the requirement of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and is intended to ensure that the dealings in Related Party Transactions meet requisite approval and reporting norms as required under the applicable laws.

**Definition:**

The terms 'Related Party', 'Related Party Transactions', 'Relative', 'Arms' length transaction', 'Omnibus Approval' & such other terms will carry the meaning as stated under the Companies Act, 2013, SEBI Listing Regulations as amended from time to time.

**Policy:**

Review and approval of Related Party Transactions must be dealt with in accordance with this Policy.

**A. Identification of Related Party and Related Party Transactions:**

Directors and the Key Managerial Personnel ("KMP") shall be responsible to inform the Company Secretary and/or Secretarial Department on appointment and then immediately as and when any change occurs in relationships with related party as defined under Section 2(76) of the Companies Act 2013 ('Act') SEBI Listing Regulations as applicable viz. relatives, directorships, holdings, interests and/ or controls etc.

The Company Secretary shall maintain and periodically update a database of Related Parties and communicate the same, as and when required, to the relevant functional departments

**B. Material Modification:**

Material modification will mean & include any modification to an any ongoing RPT, having variance of 20% of the existing limit or Rs. 1 crore whichever is higher, as sanctioned by the Audit Committee and/or Shareholders, as the case may be.

**C. Material Related Party Transaction:**

- a. Under the SEBI Listing Regulations:

A transaction shall be considered material if the transaction(s) to be entered into, individually or taken together with previous transactions during a financial year,

exceed the thresholds specified under annexure 1 of this policy.

b. Under the Companies Act 2013:

Transactions as provided in Section 188 of the Act entered into with a related party as defined under Section 2(76) of the Act read along with the rules made thereunder, that is not in the ordinary course of business or not at an arm's length basis and exceeds the threshold as specified in Rule 15 of Companies (Meetings of the Board and its Powers) Rules, 2015.

**D. Approval Matrix for Related Party Transaction:**

<b>Approving authority</b>	<b>Type of Transactions</b>
<p>Audit Committee (Only those members of the Audit Committee, who are independent directors, shall approve Related Party Transactions).</p>	<ul style="list-style-type: none"> <li>• All Related Party Transactions and subsequent Material Modifications shall require prior approval of the Audit Committee of the Company.</li> <li>• All 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 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 exceeds the lower of the following:               <ul style="list-style-type: none"> <li>(i) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or</li> <li>(ii) the threshold for material related party transactions of the Company as specified in Annexure 1 of this policy.</li> </ul> </li> <li>• In the event of 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 the Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the Company shall be obtained if the value of such transaction exceeds the lower of the following:               <ul style="list-style-type: none"> <li>(i) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or</li> <li>(ii) the threshold for material related party transactions of the Company as specified in Annexure 1 of this policy.</li> </ul> </li> </ul>
<p>Board</p>	<ul style="list-style-type: none"> <li>• Related Party Transactions referred by the Audit Committee</li> </ul>

Approving authority	Type of Transactions
	for approval. <ul style="list-style-type: none"> <li>• Related Party Transactions not in ordinary course of business or not on arm's length basis.</li> </ul>
Shareholders (all the shareholders of the Company who are related parties cannot vote to approve the transaction)	<ul style="list-style-type: none"> <li>• Material Related Party Transactions.</li> <li>• Subsequent material modifications to the approved related party transactions.</li> <li>• Related Party Transactions not in ordinary course of business or not on arm's length basis and exceed the threshold as specified in Rule 15 of Companies (Meetings of the Board and its Powers) Rules, 2015.</li> </ul>

**Notes:**

1. The Company shall place before the Audit Committee and the Shareholders, as applicable, all information as prescribed under the Companies Act, 2013 and the SEBI Listing Regulations, including information required pursuant to the RPT Industry Standards and circulars issued by SEBI from time to time, or such other information as may be requested or directed by the Audit Committee, for approval or ratification.
2. The Audit Committee or the Board shall after considering the information placed before them satisfy themselves that the transaction is in the ordinary course of business and meets the arm's length requirements.
3. Any member of the Audit Committee and/or Board, who has a potential interest in any RPT shall recuse himself or herself from the discussion and abstain from voting on the approval of the RPT.
4. The RPTs specifically exempted under SEBI Listing Regulations, Act or any other applicable law may not require approval as per the above matrix.

**E. Omnibus approval for Related Party Transactions:**

Audit Committee:

- The Audit Committee may grant omnibus approval in accordance with the provisions of Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 (3) of the SEBI Listing Regulations for Related Party Transactions proposed to be undertaken by the Company or its subsidiary(ies) that requires approval under this Policy, which are in the ordinary course of the business, arm's length basis and of repetitive/regular nature proposed to be entered into.
- 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.
- The Audit Committee would review on a quarterly basis the details of such Related Party Transactions entered into pursuant to each of the omnibus approval given.
- The approval will remain valid for a period of one financial year.

### Shareholders:

- The omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Act or rules, notifications, or circulars issued thereunder from time to time.
- In case of omnibus approvals for material related party transactions, granted by shareholders in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

### **F. Related Party Transactions not approved under this policy:**

- In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the Company would obtain post facto approval from the Audit Committee/ the Board and/or shareholders of the Company as required under applicable laws within the prescribed timelines.
- The ratification of Related Party Transactions by the Audit Committee shall be subject to the adherence of the following conditions:
  - i. Only those members of the Audit Committee, who are independent directors, can ratify Related Party Transactions.
  - ii. The Related Party Transactions are to be ratified in the immediate next Audit Committee meeting, subject to a maximum period of three months from the date of transaction, whichever is earlier.
  - iii. The value of ratified transactions with a Related Party, whether entered into individually or taken together with other ratified transactions, shall not exceed rupees one crore during a financial year.
  - iv. The transaction shall not be a Material Related Party Transaction under SEBI Listing Regulations.
  - v. The rationale for inability to seek prior approval for the Related Party Transaction shall be placed before the Audit Committee while seeking ratification.
  - vi. Ratification details to be disclosed along with the disclosures of related party transactions in terms of the provisions 23 of sub-regulation (9) of SEBI Listing Regulations in half- yearly RPT disclosures.
- Failure to seek ratification of the Audit Committee/Board and/or shareholder, shall render the transaction voidable, at the option of the appropriate approving authority, and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.

## **G. Policy Review:**

This Policy is framed based on the provisions of the SEBI Listing Regulations, the Companies Act, 2013 and rules thereunder and other applicable laws. In case of any subsequent changes in the provisions of the SEBI Listing Regulations or the Companies Act, 2013 and rules thereunder or other applicable laws, the relevant amended provisions would prevail over this Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed by the Board as and when any changes are to be incorporated in the Policy due to change in applicable laws or at least once in every three years and updated accordingly.

**Place: Pune**  
**Date: 20 March 2026**

**CHAIRMAN**

## Annexure 1

- A. 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 the following:

Consolidated Turnover of Listed Entity Threshold	Threshold
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	Rs.2,000 Crore + 5% of the annual consolidated turnover of the listed entity above Rs. 20,000 Crore
(III) More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above Rs. 40,000 Crore or Rs. 5000 Crore, whichever is lower.

Explanation: For the purpose of computing the thresholds stated above, the annual consolidated turnover of the listed entity shall be determined based on the last audited financial statements of the listed entity.

The Company currently falls under category (III) of the above table.

- B. 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 listed entity as per the last audited financial statements of the Company.