

POLICY ON MATERIAL RELATED PARTY TRANSACTIONS

1. Background:

This policy is framed pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("LODR"). The said Regulation mandates every Listed Company to formulate a Policy on dealing with the Material Related Party Transactions and shall apply to all the transactions entered into by the Company with its Related Parties as per the applicable laws and regulations, including the Companies Act, 2013 (the "Companies Act") read with the rules framed thereunder. Further, SEBI Circular dated June 26, 2025, providing the Industry Standards on Minimum Information to be provided for review of the audit committee and shareholders for approval of a related party transaction ("ISF Standards on RPT"), shall also be the governing provisions for this policy. ISF is Industry Standards Forum.

2. Definitions:

- (1) "**Act**" means the Companies Act, 2013 and the rules made there under, as amended from time to time;
- (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) "**Ordinary course of business**" means the usual transactions undertaken by the Company to conduct its business operations and activities and includes all such activities which the company can undertake as per Memorandum & Articles of Association;
- (4) "**Company**" shall mean Walchand PeopleFirst Limited;
- (5) "**Board**" shall mean Board of Directors of the Company;
- (6) "**Audit Committee or Committee**" shall mean Committee of Board of Directors of the Company constituted in accordance with provisions of the Listing Regulations and the Companies Act, 2013;
- (7) "**Related Party**" shall have the same meaning as defined in Section 2(76) of Companies Act, 2013 and Regulation 2(1) (zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

- (8) **“Relative”** shall have the same meaning as defined in Section 2(77) of Companies Act, 2013 and Regulation 2(1) (zd) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
- (9) **“Related Party Transaction”** means a transaction between the Company and a Related Party which transaction is of the nature specified in sub-clause (a) to (g) of section 188(1) of the Companies Act, 2013, or is a related party transaction as understood under Regulation 2(zc) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. However, exceptional transactions as specified in the said Regulation shall not be construed as related party transaction;
- (10) **“Material Related Party Transaction”** means a transaction(s) to be entered into with the Related Party 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 Company as per the last audited financial statements of the Company, 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, exceeding five percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity;
- (11) **“Regulations”** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof;
- (12) **“Subsequent Material Modification”** means a modification to the Material Related Party Transaction which affects the value of the transaction to the extent of 2% of the aggregate sum of Material Related Party Transaction which was approved by the shareholders;
- (13) **Industry Standards”** shall mean the Industry Standards on “Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)” as notified by SEBI vide its circular dated June 26, 2025, as amended from time to time;

3. Identification of Related Parties:

Every director/KMP shall at the first meeting of the Board in which they participate as a director/KMP and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose their concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding in Form MBP-1.

Company Secretary, based on the declaration in MBP-1, amongst other means and other available information, shall identify all related parties.

4. Procedure for approval of Material Related Party Transaction:

i. Approval of the Audit Committee:

- a. All the related party transactions *and subsequent material modifications* by the Company shall require prior approval of the Audit Committee. Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.
- b. However, the Company may obtain an omnibus approval from the Audit Committee for such transactions, subject to compliances with the conditions as specified in Section 188 of Companies Act, 2013 read with the relevant rules made thereunder and the provisions of Regulation 23 of the Regulations.
- c. In case the transaction is entered into by the Company without obtaining the prior approval of the Audit Committee, then the Audit Committee may ratify such related party transaction subject to compliances with the conditions as specified in Section 188 of Companies Act, 2013 read with the relevant rules made thereunder and the provisions of Regulation 23 of the Regulations.
- d. The Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

At the time of approval of any related party transaction, the management of the Company shall provide the Audit Committee with the minimum information as prescribed in the ISF Standards on RPT. While collecting and collating the information, the management shall take into account the provisions of Para 3 of the ISF Standards on RPT.

ii. Approval of the Board of Directors:

As per the provisions of Section 188 of the Companies Act, 2013, all the Related Party Transactions which are not in the ordinary course of business and / or not at arm's length basis, are required to be placed before the Board for its approval or Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view requires Board approval. Or 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.

iii. Approval of the Shareholders of the Company:

All the related party transactions exceeding the materiality thresholds as specified above in the said policy and in Regulation 23 of SEBI LODR and all kinds of transactions specified under Section 188 of the Act which exceed the thresholds laid down in Companies (Meetings of Board and their Powers) Rules, 2014 are required to be placed before the shareholders for their *prior* approval.

Voting for such transactions shall be in compliance with relevant provisions of the Act and / or SEBI LODR.

Furthermore, any subsequent material modifications to the material related party transactions shall also require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

At the time of approval of any related party transaction, the management of the Company shall provide the shareholders with the minimum information as prescribed in the ISF Standards on RPT. While collecting and collating the information, the management shall take into account the provisions of Para 3 of the ISF Standards on RPT.

5. Disclosure of Related Party Transactions:

- a. The Company shall submit to the Stock Exchanges disclosures of Related Party Transactions as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2021, in the format as specified by the Securities and Exchange Board of India from time to time and publish the same on Company's website.
- b. Particulars of contracts or arrangements with Related Parties referred to in sub-

Section (1) of Section 188 shall be disclosed in the Directors Report pursuant to any statutory requirement, if any.

- c. Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- d. The company shall disclose the policy on dealing with RPTs on its website and a web link thereto shall be provided in the Annual Report.
- e. The register of RPTs shall be maintained as per the Act and placed before the next Board Meeting and signed by all the directors present at the Meeting.

6. Amendment:

This policy shall be subject to review by the Board of Directors from time to time, but at least once every three years. The amendment to this policy shall be subject to the recommendations by the Audit Committee and approved by the Board of Directors. Any subsequent amendment / modification in the Regulations shall automatically apply to this Policy and the provisions in this Policy would be modified in due course to make it consistent with the law.

Sd/-
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Chairperson and Managing Director
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Date: 31st July, 2025

Sd/-
Mr. Sanjay Jha
Whole-time Director,
1st Floor, Construction House,
5- Walchand Hirachand Marg, Ballard
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Date: 31st July, 2025