

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, relevant information is specified under the Industry Standards and SEBI Circular dated October 13, 2025; Minimum Information to be provided for review of the audit committee and shareholders of the Company, for approval of a related party transaction (“ISF Standards on RPT”), shall also be the governing provisions for this policy.

Furthermore, on November 18, 2025, SEBI notified the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025, introducing *inter alia*, turnover-based materiality thresholds, revised subsidiary approval limits and certain other requirements for related party transactions. These amendments came into effect on December 18, 2025. In view of the above, the Policy for Related Party Transactions is being revised to align it with the amended provisions of SEBI Listing Regulations.

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(1)(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, exceeding the following thresholds or such other thresholds as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Materiality Thresholds:

Consolidated Turnover of the Company as per last audited financial statements	Threshold
Up to Rs. 20,000 Crores	10% of the annual consolidated turnover of the Company
More than Rs. 20,000 Crores and upto Rs. 40,000 Crores	Rs. 2,000 Crores + 5% of the annual consolidated turnover of the Company above Rs. 20,000 Crores
More than Rs. 40,000 Crores	Rs. 3,000 Crores + 2.5% of the annual consolidated turnover of the Company above Rs. 40,000 Crores or Rs. 5000 Crores, 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 participates 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.

Provided that a Related Party Transaction above Rupees One Crore to which the Subsidiary is a party, but the Company is not a party shall require prior approval of the Audit Committee only if the value of such transaction, whether entered into individually or taken together with previous transactions during a financial year, exceeds the lower of the following:



- i) 10% of the annual standalone turnover of the Subsidiary as per the last audited financial statements of the Subsidiary; or
 - ii) the threshold for Material Related Party Transactions as specified in clause 2(10).
- 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. or SEBI Circular dated October 13, 2025, whichever applicable in compliance with applicable provisions of law.

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 or material related party transactions as defined in clause 2(10) of this policy.

At the time of approval of any related party transaction, the management of the Company shall provide the Board of Directors with the information which is laid down in Companies (Meetings of Board and their Powers) Rules, 2014

iii. Approval of the Shareholders of the Company:

All the related party transactions exceeding the materiality thresholds as specified above in clause no. 2(10) of this 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.

Provided that the omnibus approval granted by 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 Act and related notifications or circulars issued thereunder from time to time.

Provided further that 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.

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 or SEBI Circular dated October 13, 2025, whichever applicable, or laid down in Companies (Meetings of Board and their Powers) Rules, 2014, if applicable, in compliance with applicable provisions of law.

5. Mechanism of approval, review and disclosure of Related Party Transactions:

Approval and Review:

- a. The Audit Committee may grant omnibus approval for Related Party Transactions considering the repetitive nature of the transactions.

- b. The Audit Committee shall, after being authorized by the Board, specify the criteria for granting omnibus approvals to the Related Party Transactions proposed to be entered into in the manner and to the extent prescribed under the applicable laws. Such omnibus approvals shall be valid for one financial year. The Audit Committee shall, while granting such omnibus approvals, satisfy itself about the adherence to the criteria so specified by it.
- c. The Audit Committee shall satisfy itself about the need for such omnibus approval and that such approval is in the interest of the Company.
- d. The omnibus approval granted by the Audit Committee shall include the following particulars:
- Name of the related parties;
 - Nature and duration of the transaction;
 - Maximum amount of transaction that can be entered into;
 - The indicative base price or current contracted price and the formula for variation in the price, if any;
 - Relevant information as specified under the Industry Standards and SEBI Circular dated October 13, 2025, providing Minimum Information to be provided for review of the audit committee and shareholders of the Company, for approval of a related party transaction
 - Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction
- e. In case of Unforeseen Related Party Transactions, the Audit Committee may grant an omnibus approval for such transactions provided that the value does not exceed Rupees One Crore per transaction in a financial year.
- f. The Audit Committee shall not grant omnibus approval for transactions in respect of selling or disposing of the undertaking of the Company.
- g. Any Director or Key Managerial Personnel who is interested in any Related Party Transaction shall not be present at the meeting of the Board or Audit Committee during discussions on the subject matter of the resolution relating to such transaction.

Disclosure:

- h. 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.
- i. 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.
- j. Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- k. On a quarterly basis, the management shall submit a report to the Audit Committee providing a comparison between the approvals granted and the actual transactions.
- l. 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.
- m. 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 from time to time, but at least once every three years. The review of, and / or 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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Date: 16th January 2026

Sd/-
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Whole-time Director,
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Date: 16th January 2026