RATHOD JEWELLERY MANUFACTURING LIMITED

(formerly known as Rathod Jewellery Manufacturing Private Limited)

CIN: U36910PN2012PLC142922

Registered Office: Plot No. F-12/1, MIDC Shiroli, Kolhapur, Hatkanangle, Maharashtra, India – 416122.

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS

1. Introduction

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (**"Listing Regulations"**) requires every listed company to formulate a Policy on materiality of related party transactions and also on dealing with related party transactions including clear threshold limits duly approved by the Board.

The Board of Directors (**"the Board"**) of Rathod Jewellery Manufacturing Limited (**"the Company"**) has adopted the following policy and the Board may amend this policy from time to time.

2. Objectives of the Policy

The objective of this Policy is to set out as under: -

(a) Identification of the Related Parties;
(b) The materiality threshold for related party transactions;
(c) Material modification thereof and
(d) The manner of dealing with the transaction between the Company and its related parties based on the Act, Listing Regulations and any other laws and regulations as may be applicable to the Company.

All Related Party Transactions (**"RPT"**) should be referred to the Audit Committee of the Company for prior approval. The Audit Committee shall also approve any subsequent modifications of the RPT. The Audit Committee may also grant omnibus approval for certain categories of transactions, which shall be valid for period not exceeding one financial year and shall require fresh approval for the next financial year and shareholders' approval obtained for omnibus approval in the annual general meeting shall be valid upto the date of next annual general meeting for a period not exceeding 15 (fifteen) months.

3. Definitions

a) **"Act"** shall mean the Companies Act, 2013 and the Rules framed there under, including any modifications, amendments, clarifications or re-enactment thereof.
b) "**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.
c) **"Audit Committee"** means a Committee of Directors of the Company, as constituted from time to time under Section 177 of the Act and read with Regulation 18 of the Listing Regulations.
d) **"Board**" means the Board of directors of the Company.
e) "**Company**" means Rathod Jewellery Manufacturing Limited. (formerly known as Rathod Jewellery Manufacturing Private Limited)
f) **"Key Managerial Personnel" or "KMPs**" means Key Managerial Personnel as defined under the Act and rules made thereunder;
g) **"Material Related Party Transaction**" shall have the same meaning as defined under Regulation 23 (1) of the SEBI Regulations, 2015. Transaction with a related party shall be considered material, if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds specified in Schedule XII of SEBI Regulations, 2015.

   Transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceed 5 percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
i) "**Materiality Threshold**" means limits for related party transactions beyond which approval of the

shareholders' as specified in the Act and rules thereof and amendments thereto will be required.

j) **"Ordinary Course of Business"** with reference to a transaction with a related party means a transaction which is:
   (i) carried out in the normal course of business envisaged in accordance with the Memorandum of Association of the Company as amended from time to time;
   (ii) historical practice with a pattern of frequency;
   (iii) common commercial practice: or meets any other parameters / criteria as decided by the Board/Audit Committee, from time to time.

k) **"Policy"** means this policy, as amended from time to time.

l) **"Related Party"** A Party shall be deemed to be a Related Party if it is a Related Party as defined either under Regulation 2 (1) (zb) of Listing Regulations.

m) **"Related Party Transaction"** shall be as defined in Regulation 2(1)(zc) of the Listing Regulations, and otherwise, a transaction shall be deemed to be a Related Party Transaction if it is a Related Party Transaction as defined either under the Act or Listing Regulations, including all the amendments and modifications thereof from time to time.

n) "**Relative**" means any person as per Section 2(77) of the Act and rules prescribed there under and as per Regulation 2(1) (zd) of the Listing Regulations as amended from time to time;

Any term or reference not defined in this policy shall have the same meaning and reference as defined under the Act and Listing Regulations as amended from time to time.

4. Material Modification of Related Party Transaction:

Material Modification to such RPT means and includes any modification to an existing related party transaction having a variance of ____10_____% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be or Rs_2_ crore, whichever is higher subject to the conditions as specified in Listing Regulations and Act.

5. Ascertaining and Identification of Related Party

A. Ascertaining Related Party:

5.1 Every director/KMP shall at the beginning of the financial year at the first meeting of the Board in which he participates and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, provide information by way of written notice to the Company regarding his concern or interest in the entity with specific concern to parties which may be considered as Related Party with respect to the Company and shall also provide the list of Relatives which are regarded as Related Party as per this Policy. The Board shall record the disclosure of Interest and the Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

5.2 Directors/KMPs are also required to provide information regarding their engagement with other entity during the financial year which may be regarded as related party according to this Policy.

5.3 All of the subsidiaries of the Company, before entering into a Related Party Transaction which may require approval of the Audit Committee & members of the Company under this Policy, to the attention of the Company about such proposed Related Party Transaction(s), so that the requisite approvals shall be obtained by the Company.

5.4 The Company Secretary shall at all times maintain a database of Company's Related Parties in

Management Information System (MIS) & it shall be updated whenever necessary and shall be reviewed in each quarter.

B. Identification of Related Party:

5.5 Every Director, KMP, CEO/CFO & the Departmental Heads will be responsible for providing prior notice to the Company Secretary/CFO of any potential transaction with Related Party. Notice of any potential Related Party Transaction shall be provided well in advance to the Audit Committee so that it has adequate time to review the proposed Transaction.

5.6 The CEO & the Departmental Heads shall submit to the Chief Financial Officer the details of all existing/proposed transaction along with supporting information as per Table-A below: -

Table-A	
Details required for Approval of Audit Committee	
Sr. No.	**Particulars**
1	The name/s of the Related Party
2	Nature of relationship transaction
3	Name of the director or Key Managerial Personnel who is related
4	Period of transaction/contract
5	Nature, material terms and monetary value of the contract or arrangement along with justification;
6	Whether the transaction is in the ordinary course of business and on an arm's length
7	The indicative base price/current contracted price and the formula for variation in the price, if any
8	Details of factors considered by the Audit Committee, including basis for determining materiality or modification
9	Impact or transaction on the company's financials and details of any potential conflict of interest.
10	Such other conditions/ information as required under the Act and Listing Regulations, as amended from time to time

5.7 CFO shall submit his notes to the Audit Committee giving his comments as to whether existing/proposed transaction(s) are on arms' length basis and in ordinary course of business.

5.8 The Committee will give due consideration to the CFO's notes while deciding whether a transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

6. Approval to Related Party Transactions

6.1 Approval of Audit Committee

All Related party transactions (and subsequent material modifications) will require prior approval of Audit Committee, provided that only those members of the Audit Committee, who are independent directors, shall approve related party transactions. Further, related party transaction 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 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 and standalone turnover, as per the last audited financial statements of the listed entity. Any member of the Audit Committee or the Board who has potential interest in any Related Party Transaction

will in terms of Rule 15(2) of the Companies (Meeting of Board and its Powers) Rules, 2014 shall not be present at the meeting during the discussions on the subject matter and shall recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.

The Audit Committee shall consider the following factors while deliberating the related party transactions for its approval:

- ✓ Name of party and details explaining nature of relationship
- ✓ Duration of the contract and particulars of the contract and arrangement
- ✓ Nature of transaction and material terms thereof including the value, if any.
- ✓ Manner of determining the pricing to ascertain whether the same is on arm's length
- ✓ Business rationale for entering into such transaction
- ✓ Whether the terms of Related Party Transaction are fair and on arm's length basis?
- ✓ Whether the Related Party Transaction is in the ordinary course of business of the Company or Related Party?
- ✓ Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any?
- ✓ Whether the Related Party Transaction would affect the independence of an independent director.
- ✓ Whether the Related Party Transaction would present an improper conflict of interest for any Director or Key Managerial Personnel of the Company and
- ✓ Any other information relevant or important for the Board to take a decision on the proposed transaction.

All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee of the Company provided that: -

- ✓ a related party transaction 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 listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten (10) per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary

- ✓ prior approval of the Audit Committee of the company shall not be required for a related party transaction to which the listed subsidiary is a party but the company is not a party, if regulation is applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in herein above, the prior approval of the Audit Committee of the listed subsidiary shall suffice.

The Audit Committee may grant Omnibus Approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the Policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.
- The Audit Committee shall satisfy itself the need for such Omnibus Approval and that such approval is in the interest of the Company.
- The aggregate amount of transactions/any particular transactions approved/to be approved under Omnibus Approval shall not exceed the limit specified by the Audit Committee of the company.
- Such Omnibus Approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can 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 Rs.1 crore per transaction.

- Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given.
- Such Omnibus Approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- Omnibus approval shall not be made and shall not be applicable for the following: (i) transaction(s) in respect of selling or disposing off the undertaking of the Company; (ii) transactions which are not at arm's length or not in the Ordinary Course of Business.

6.2 Approval of Board of Directors

Following Related Party Transactions shall require the approval of Board:

i. The following related party transactions shall further require approval of the Board, either prior to the transaction or approval/ratification within three (3) months from the date of transaction, if not in ordinary course of business or on arm's length basis.

(a) sale, purchase or supply of any goods or materials;
(b) selling or otherwise disposing of, or buying, property of any kind;
(c) leasing of property of any kind;
(d) availing or rendering of any services;
(e) appointment of any agent for purchase or sale of goods, materials, services or property;
(f) such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company; and
(g) underwriting the subscription of any securities or derivatives thereof, of the Company.

ii. 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.

iii. 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;

iv. Where the transaction(s) as specified in Section 188(1) of the Act is not in ordinary course of business and/ or not at arm's length;

v. 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; and

vi. All Related Party Transactions which are intended to be placed before the shareholders for approval.

6.3 Approval of Shareholders

6.3.1. All material related party transactions shall require prior approval of the shareholders through resolution and no Related Party shall vote on such resolutions whether the entity is a Related Party to the particular transaction or not. However, the said requirement would not be applicable in respect of a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016 subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved. The explanatory statement to be annexed to the notice of a postal ballot or general meeting convened to consider the special resolution to approve a Related Party Transaction shall inter alia contain the following

particulars:

- ✓ Name of the related party;
- ✓ Name of the director or key managerial personnel who is related, if any;
- ✓ Nature of relationship; – Nature, material terms, monetary value and particulars of the contract or arrangement;
- ✓ Any other information relevant or important for the members to take a decision on the proposed resolution.

6.3.2. All Related Party Transactions as per Section 188 of the Act, if such related party transaction is not in the ordinary course of business, or not at arm's length price and exceeds the thresholds limits as prescribed in the Act and rules thereof, shall require shareholders' approval by a special resolution. The Related Parties shall abstain from voting as shareholders in case of Related Party Transactions which require the approval of shareholders.

6.3.3 However, the shareholders' approval is not required for the transactions to which the listed subsidiary is a party to but the company is not a party, and regulation 15(2) and 23 of the SEBI Listing Regulations are applicable on such listed entity.

7. Related Party Transactions Not Approved Under This Policy

- Subject to the provisions of the Act, in the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction.

- The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control systems, and shall take any such action as it deems appropriate.

- In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the related party, etc. In connection with any review/approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

- Related Party Transactions which do not require approval/ Exemption from applicability of the Policy.

8. Reporting of Related Party Transactions

8.1 Every contract or arrangement which is required to be approved by the Board/ shareholders under this Policy, shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.

8.2 The Company shall maintain a register pursuant to the provisions of the Act and enter therein the particulars of all the Related Party Transactions with a Related Party.

8.3 Every material RPT or RPT which is not on Arm’s Length basis or such other details as may be required under the Act or Regulations shall be disclosed in the Annual Report with proper justification for entering into

such transactions.

8.4 The details of material transactions with related parties will be included in the corporate governance reports which are required to be submitted to the stock exchanges on a quarterly basis.

8.5 The Company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report of the Company.

8.6 Details of RPTs shall be submitted to the stock exchanges in the format as specified by SEBI from time to time on half-yearly basis and copy of the same will be posted on the website of the Company.

8.7 The Company shall submit on the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

9. Amendments

The Policy shall be reviewed by the Board at least once every three years and updated accordingly. Any subsequent amendment / modification in the Act or the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy. Any amendment in the applicable provisions of the Companies Act or SEBI Listing Regulations or any other regulations, which are in force, in relation to the related party transactions, which is in contradiction to the clauses stated in the Policy, then such amendment in the applicable laws shall prevail over the applicable clauses as stated in the Policy.

10. Disclosures

a. The Company shall disclose, in the Board's report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or arm's length basis along with the justification for entering into such transaction.
b. In addition to the above, the Company shall also provide details of all related party transactions exceeding the materiality threshold on a quarterly basis to the stock exchanges along with the compliance report on corporate governance pursuant to Listing Regulations.
c. The Company shall submit within the timelines prescribed under Regulation 23(9) of the Listing Regulations, disclosures of related party transactions on a consolidated basis, in the format specified by SEBI from time to time and publish the same on its website.
d. As prescribed under Regulation 46(2)(g) of the Listing Regulations, this Policy shall be disclosed on the Company's website viz **https://rathodjewellerymfg.in/**

11. Compliance of the Policy

The Chief Financial Officer and the Company Secretary of the Company shall at all times ensure that all the related party transactions entered by the Company are in compliance with this Policy and applicable law.

Effective Date: 28-09-2026
Place: Kolhapur

Note: Approved in the meeting dated 28-09-2026

RATHOD JEWELLERY MFG. LTD. KOLHAPUR