

EASUN CAPITAL MARKETS LIMITED

Related Party Transaction Policy

1. Introduction and Background

Easun Capital Markets Limited (the "Company" or "Easun") recognizes that related party transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stakeholders' best interests.

2. Scope & Inclusion

This policy sets definition of materiality of related party transactions, definition of material modification in related party transactions and dealing with related party transactions.

3. Definition

For the purposes of this Policy, the following definitions apply:

"Arm's Length Transaction" shall mean a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

"Directors" shall mean the board of directors of the Company;

"Key Managerial Personnel" shall mean any of the following officers of the Company:

(i) the Managing Director or Chief Executive Officer or Manager and in their absence, Whole-time director; (ii) the Chief Financial Officer; (iii) the Company Secretary; (iv) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and (v) such other officer as may be prescribed;

"Material Related Party Transactions" shall mean a transaction / Contracts / arrangements with a related party shall be considered as material related party contracts / arrangements if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year under such contracts / arrangements exceed rupees one thousand crore or ten percent of the annual consolidated turnover of the Company, whichever lower, as per the last audited financial statement or such sum or limit as may be prescribed under the Listing Regulations.

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction 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 Company as per the last audited financial statement of the Company.

"Officer(s)" shall mean the Chief Financial Officer or Company Secretary of the Company or such other personnel as designated by Audit Committee or the Board from time to time;

"Policy" shall mean this Related Party Transaction Policy

"Related Party" shall have the same meaning ascribed to such term under Section 2(76) of the Companies Act or under the applicable accounting standards, as may be amended from time to time and includes the following:

- (a) any person or entity forming a part of the promoter or promoter group of the Company; or
- (b) any person or any entity, holding 10% or more equity shares:

in the Company either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year.

"Related Party Transaction" shall have the same meaning as ascribed to such term under Regulation 2(1)(zc) of the Listing Regulations, including such transactions listed in Section 188(1)(a)-(g) of the Companies Act and any subsequent modifications made thereto.

Related Party Transaction(s) of the Company

Related Party Transaction(s) where the Company is a party to the transaction(s) / contract(s) / arrangement(s) with a related party.

Related Party Transaction(s) of the Subsidiary

Related Party Transaction(s) where the Subsidiary of the Company is a party to the transaction(s) / contract(s) / arrangement(s) with a related party but the Company is not a party.

Material Modifications

3.5.1 Material modifications in relation to the Related Party Transaction(s) shall mean any change / variation / modification in an existing related party transaction / contract / arrangement, the financial effect of which is an increase in the per annum value of the relevant related party transaction / contract / arrangement by 10% or rupees fifty crore, whichever is higher.

Subsidiary

"Subsidiary" means a subsidiary as defined under section 2(87) of the Companies Act, 2013 ('Act').

All other terms and references used but not defined herein shall have the same meaning as is assigned to them under the Act, the Listing Regulations and rules, regulations, notifications and circulars issued thereunder.

4. Policy

4.1 All Related Party Transaction(s) shall be entered on arms' length basis.

4.2 In exceptional circumstances, where permitted by law, Related Party Transaction(s) of the Company may deviate from the principle of arm's length, after obtaining approval from Audit Committee and the Board of Directors, as the case may be.

4.3 In exceptional circumstances, where permitted by law, Related Party Transaction(s) of the Subsidiary which exceed the threshold specified in Regulation 23 of the Listing Regulations, may deviate from the principle of arm's length, after obtaining approval from its audit committee and / or board of directors, as the case may be and approval of Audit Committee and Shareholders of the Company, if applicable.

4.4 All Related Party Transaction(s) of the Company shall be in compliance with the provisions of the Act, the Listing Regulations and the applicable Accounting Standards, as amended from time to time.

4.5 All domestic related party contracts / arrangements shall, wherever applicable, comply with Domestic Transfer Pricing Requirement under section 92BA of the Income Tax Act, 1961 including certification from independent accountants under the Transfer Pricing Regulations.

4.6 All international related party contract / arrangements shall comply with International Transfer Pricing Requirement under section 92B of the Income Tax Act, 1961 including certification from independent accountants under the Transfer Pricing Regulations.

Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act / Rules / Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy.

5. OMNIBUS APPROVAL

i. The Audit Committee shall specify the criteria for making the omnibus approval which shall include the following:-

- a. maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
- b. the maximum value per transaction which can be allowed;
- c. extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
- d. review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the Company pursuant to each of the omnibus approval made;
- e. transactions which cannot be subject to the omnibus approval by the Audit Committee.

ii. The Audit Committee shall consider the following factors while granting the omnibus approval, namely: -

- a. repetitiveness of the transactions (in past or in future);
- b. justification for the need of omnibus approval.

iii. The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the Company.

iv. The omnibus approval shall contain or indicate the following: -

- a. name of the related parties;
- b. nature and duration of the transaction;
- c. maximum amount of transaction that can be entered into;
- d. the indicative base price or current contracted price and the formula for variation in the price, if any; and
- e. any other information relevant or important for the Audit Committee to take a decision on the proposed transaction:

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, Audit Committee shall have the authority to grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

v. Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.

vi. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

vii. Any other conditions as the Audit Committee may deem fit.

viii. Thereafter, the 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.

ix. In addition, the Audit Committee/ the Board may review any Related Party Transactions involving independent directors as part of the annual determination of their independence.

x. Nothing stated in this Policy shall override any provisions of law made in respect thereof.

6. Approval

5.1 All Related Party Transaction(s) of the Company and subsequent Material Modifications thereto, shall require prior approval of the Audit Committee or the Board of Directors or the Shareholders of the Company, as the case may be, as required under and subject to the Act and the Listing Regulations.

5.2 All Related Party Transaction(s) of the Subsidiary exceeding the threshold of material related party transactions as specified in Regulation 23 of the Listing Regulations and subsequent Material Modifications thereto, shall require prior approval of the Audit Committee or the Shareholders of the Company, as the case may be.

7. Amendment

Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act / Rules / Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy.

8. Review

This Policy will be reviewed as and when required but atleast once in three years.

This revised Policy was approved by the Board of Directors at it's meeting held on 29th May, 2025.