PTL Enterprises Ltd.

Policy on Related Party Transaction

POLICY ON RELATED PARTY TRANSACTION

1. Preamble:

The Board of Directors ("Board") of PTL Enterprises Ltd. ("Company" or "PTL"), has adopted the following Policy and procedures with regard to the Related Party Transactions as defined below. The Audit Committee shall review and may propose amendments to this Policy as may be required. The Policy shall also be reviewed by Board at least once in every three years.

This Policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable on the Company. This Policy shall become effective from October 1, 2014 and as amended from time to time. The Policy is last updated on May 14, 2026.

2. Objective:

This Policy is framed as per the requirement of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015, hereinafter referred to as ("Listing Regulations") to ensure monitoring, approval and reporting of transactions with Related Parties as determined under Listing Regulations, Companies Act, 2013 and rules prescribed there under ("Act"), and any other laws and regulations as may be applicable to the Company.

The Company is required to disclose in its Financial Statements and Board's Report, transactions between the Company and Related Parties as well as Policy relating thereto. The Related Party Transaction Policy shall be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report.

3. Definitions:

"Arm's Length Transaction" means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no question of conflict of interest.

Tests for ascertaining whether the Related Party Transactions is at arm's length are *inter alia* as follows:

1. The contracts/ arrangements are entered into with Related Parties, are at such prices/ discounts/ premiums and on such terms which are offered to unrelated parties of similar category/ profile;

2. The contracts/ arrangements have been commercially negotiated;

3. The pricing is arrived at as per the rule/ guidelines, if any, that may be issued by or acceptable for the purpose of Ministry of Corporate Affairs, Income Tax Act, 1961, Securities and Exchange Board of India and/or such other statutory or regulatory bodies as applicable to any of the contract/ arrangements contemplated under the Act, Rules framed thereunder or Listing Regulations.

4. The terms of contract/ arrangement other than pricing are generally on a basis similar to those as may be applicable for similar category of goods and services or similar category/ profile of counterparties.

5. Such other criteria as may be issued under Applicable Law.

"Associate" means a company as defined under Section 2(6) of the Companies Act,2013 and as defined by Indian Accounting Standard (AS) 24,"Related party disclosures read with Indian Accounting Standard (AS) 28," Investments in Associates and Joint Ventures"

"Audit Committee or Committee" means the Committee of the Board formed under Section 177 of the Act and Regulation 18 of the Listing Regulations.

"Board" means Board of Directors of the Company.

"Key Managerial Personnel" shall mean the officers of the Company as defined in Section 2(51) of the Act.

"Material Related Party Transactions or Material RPTs":

A. Under the Listing Regulations, means:

a) any transaction with a Related Party to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds as specified in Regulation 23 of Listing Regulations read with Schedule XII of these regulations.

b) a transaction involving payments made to a Related Party with respect to brand usage or royalty 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 Company as per the last audited financial statements of the Company; (if any)

B. Act means:

transactions as defined under Section 188(1) of the Act by the Company with Related Parties as defined under Section 2(76) of the Act where the aggregate value of the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the limits prescribed under the Act read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 from time to time.

"Material modification(s)" –shall mean any modification made in the terms and conditions of any Related Party Transaction, as originally approved by the Audit Committee and/or shareholders, as the case may be, which, individually or taken together with previous modifications during a financial year, results in variation in the value, tenure, exposure of the Related Party Transaction, by at least 25%.

Further, all subsequent non-material modifications to a Related Party Transaction shall also be required to be approved by the Audit Committee in the immediately next meeting falling after such modification.

Provided that a modification shall also be material, if by such modification, the terms of the contract cease to be arms' length.

Provided further that the following shall not be considered as material modification -

- modifications which may be mandated pursuant to change in law,
- modifications pursuant to and in accordance with the terms of the approved transaction/contract, whether with or without mutual consent of parties, as the case may be,
- modifications resulting from change in constitution of either of the parties pursuant to schemes of arrangement (e.g. merger, amalgamation, demerger, etc.) approved by appropriate authority,
- modifications arising due to revision/imposition of statutory levies like taxes, duties etc.,
- modifications which are purely technical and do not result in substantive change or alteration of rights, interests, and obligations of any of the parties,
- modifications uniformly affected for similar transactions with unrelated parties.

"Policy" means Related Party Transaction Policy.

"Related Party" means a person or an entity as defined in:

a) Section 2(76) of the Act; and
b) Regulation 2(1)(zb) of the Listing Regulations.

"Relative": means any person as defined in:
a) Section 2(77) of the Act, and rules prescribed thereunder; and
b) Regulation 2(1)(zd) of the Listing Regulations.

"Related Party Transactions" : means

a) a transaction between the Company and Related Party which is of the nature specified in clauses (a) to (g) of Section 188(1) of the Act; and
b) a transaction involving transfer of resources, services or obligations between the parties as specified in Regulation 2(1)(zc) of the Listing Regulations.

However, the transactions specifically exempted under Regulation 2(1)(zc) of the Listing Regulations or any other applicable law shall not be considered as Related Party Transactions.

Transactions in "ordinary course of business" means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities routinely and includes all such activities which the Company can undertake as per Memorandum & Articles of Association.

“Words and expressions used but not defined in this Policy shall have the same meaning as respectively assigned to them, in the Applicable Law under reference, that is to say, the Act and Rules framed thereunder, or Listing Regulations, or applicable accounting standards, as amended, from time to time

4. Identification of Related Party

i. Every Director and/or Key Managerial Personal of the Company is responsible for providing notice to the Board regarding persons and entities to be considered as "Related Party" by virtue of him /her being Director/KMP in the entity or holding

certain shareholding percentage. Such notice shall be provided to the Company at the time of appointment and also at the time of first board meeting of every financial year and whenever there is any change in the disclosures already made. Every director and KMP shall disclose details as may be required for the purpose of identification of Related Parties, e.g. details of relatives, etc.

ii. The Company shall maintain a complete list of Related Parties and update the same as and when any change is necessitated. The list shall be disseminated to all business functionaries for their ready reference while undertaking any transaction.

iii. Besides, the Company shall also maintain a list of Related Parties of its subsidiaries, which may be sourced from respective subsidiaries on a periodic (quarterly) basis or as and when needed. Adequate systems must be in place to ensure that the proposed RPTs in which the Company is not a party, but the subsidiary is a party, shall be brought to the information of the Company in a timely manner, for necessary approvals, wherever required.

iv. Each Director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee or Company Secretary of any potential RPTs involving him or her or his or her Relative, including any additional information about the transaction that the Board /Audit Committee may reasonably request.

v. The Compliance Officer shall identify such managers, departmental heads and such other employees ("Designated Employees") who are authorised for entering into contracts/ arrangements/ agreements with entities for and on behalf of the Company and its subsidiaries and circulate the list of Related Parties to all such Designated Employees of the Company and its subsidiaries along with the approval thresholds for entering into transactions with such Related Parties; If required, the Company / Audit Committee may refer any potential Related Party Transaction to any external legal consultant/ expert for obtaining his/ her opinion on any legal/ regulatory issues involved in the potential Related Party Transaction and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee, irrespective it was sought by the Audit Committee or not.

5. Approval framework of RPTs

5.1 Approval by Audit Committee:

i. All Related Party Transactions and subsequent Material Modification(s) thereto shall require **PRIOR** approval of the Audit Committee irrespective of whether such transactions are in the ordinary course of business and/or at arm's length or not;

ii. Prior approval of the Audit Committee of the listed entity shall also be required in case of Related Party Transaction above Rupees One Crore, to which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds lower of the following:
   a) 10% of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
   b) threshold for material related party transactions of the Company.

iii. Prior approval of the Audit Committee of the listed entity shall also be required in case of Related Party Transaction above Rupees One Crore, to which the subsidiary of the Company is a party which does not have audited financial statements for a period of at least one year but the Company is not a party, if the

value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds lower of the following:

a) 10% of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
b) threshold for material related party transactions of the Company.

The aggregate value shall be considered as on a date not older than three months prior to the date of seeking Audit Committee approval.

iv. However, such prior approval shall not be required for:

a) a related party transaction wherein Regulation 23 is applicable to such subsidiary, since in that case prior approval of the audit committee of the subsidiary will be obtained; and

b) such other transactions which may be exempted under the Listing Regulations, from time to time.

v. Remuneration and sitting fees paid by the Company or its subsidiary to its Director, Key Managerial Personnel or Senior Management, except who is part of Promoter or Promoter group, shall not require approval of the Audit Committee provided that the same is not material in terms of the provisions of Regulation 23(1).

vi. Approval of the Audit Committee shall not be required for any transaction which has been entered into by the Company with its WOS of whose accounts are consolidated with the Company and placed before the General Meeting for approval, except for transaction as mentioned in the fourth proviso to Section 177(4) of the Act.;

vii. Transactions for which prior approval has been accorded by the Audit Committee, should be placed for review by the Audit Committee at such intervals, as may be decided by the Audit Committee, but least on a quarterly basis;

viii. Only those members of the Audit Committee who are independent directors, shall approve Related Party Transactions.

Omnibus approval of RPTs

In the case of repetitive transactions which are in the normal course of business of the Company, the Audit Committee may grant omnibus approval keeping in mind repetitiveness and justification for the need for the omnibus approval.

While granting omnibus approval, the Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and such other details as required under the Act and the Listing Regulations and such approval shall be in the interest of the Company.

Where the Audit Committee is not convinced on the need for granting omnibus approvals, the Audit Committee may reject the proposal placed before it with reasonable explanation for the same.

Where the need/purpose of the transactions to be entered into with Related Parties cannot be foreseen and details related to name of the party, nature and duration of transaction, maximum amount of transaction, indicative base price / current contracted price and the formula for variation in the price and such other parameters as may be laid down by the Audit Committee, are not available at the time of taking such approval, the omnibus approval for such transactions shall be granted subject to their value not

exceeding Rs.1 crore per transaction. Further, such transactions shall be reported to the Audit Committee quarterly.

The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company or its subsidiary pursuant to each of the omnibus approvals 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.

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.

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.

The Audit Committee shall, after obtaining approval of the Board, specify the criteria for making the omnibus approval for RPTs as specified under Rule 6A(1) of the Companies (Meeting of Board and its Power) Rules, 2014 or such other stricter criteria as specified by the Audit Committee from time to time.

The Company shall place all information, as prescribed under the Act, Listing Regulations, including the information pursuant to the RPT Industry Standards and circulars issued by SEBI from time to time, before the Audit Committee and Shareholders, as applicable, for their approval/ratification.

In determining whether to approve RPTs, the following factors, amongst others, to the extent relevant to the transactions shall be considered:

i. Whether the transaction is in the ordinary course of business of the Company.
ii. Whether the terms of the RPTs are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
iii. Whether there are any undue compelling business reasons for the Company to enter into RPTs and the nature of alternative transactions, if any;
iv. Whether the RPTs would affect the independence of the directors / KMP;
v. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
vi. In case of ratification, Where the ratification of the RPTs is allowed by law and is sought from the Committee, the reason for not obtaining the prior approval of the Committee and the relevance of business urgency and whether subsequent ratification would be detrimental to the Company; and
vii. Whether the RPTs would present an improper conflict of interest for any Director or Key Managerial Personnel of the Company.

5.2 Approval by Board

i. RPTs shall require Board approval in the following cases:
   a. If the RPTs are not in the ordinary course of business or not at Arm's Length Basis; or
   b. the Audit Committee determines that a Related Party Transaction should be

brought before the Board; or

c. the Board, in any case elects to review any RPTs *suo moto*; or
d. the Related Party Transaction needs to be approved by the Board under any law for the time being in force.

ii. Approval of the Board of Directors shall not be required for the transaction entered into by the Company with its WOS or with any other party, if such transaction is in the ordinary course of business and on an arm's length basis.

iii. The considerations set forth above in case of Audit Committee shall also apply to the Board's review and approval of the proposed Related Party Transaction with such modification as may be necessary or appropriate under the given circumstances.

iv. Pursuant to section 184 of the Act, any member of the Board who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

5.3 Approval by Shareholders

Unless exempted under the Act/SEBI Listing Regulations, as the case may be, all Material Related Party Transactions and subsequent Material Modifications shall require **PRIOR** approval of the shareholders by way of an ordinary resolution. No Related Party(ies) shall vote to approve such resolutions whether the person/entity is a related party to the particular transaction or not.

5.4 Exemptions

The provisions of sub-regulations (2), (3) and (4) of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, shall not be applicable in the following cases:

(a) transactions entered into between two public sector companies;

(b) transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

(c) transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

(d) transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.

(e) transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand.

6. Ratification of RPTs:

i. RPTs entered into without obtaining the prior approval of the Audit/ Board / Shareholders (respective authority/ies) may be ratified, with or without the modification(s), subject to the applicable provisions of the Act and the Listing Regulations, if post review of the said transaction / contract, the appropriate authority is satisfied, that the said RPTs are not detrimental to the interest of the Company.

ii. Where any contract or arrangement is entered into, without obtaining the consent of the Audit Committee, Board or approval by a Resolution in the General Meeting

and if it is not ratified by the Audit Committee, Board or, the Shareholders, as the case may be, at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Audit, Board and Shareholders as the case may be, of the shareholders.

iii. If the appropriate authority decides, not to approve a particular transaction, it may require the Related Party to reimburse the benefits which might have accrued to it and /or indemnify the Company with regard to the RPTs which is not approved by the appropriate authority.

Further, RPTs entered into without the approval of the appropriate authority and subsequently not ratified by the appropriate authority, shall be subject to other repercussions as provided in the Act and Listing Regulations.

7. Disclosures:

i. Every Director of a Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into:

a. With a body corporate in which such Director or such Director in association with any other Director, holds more than two percent (2%) shareholding of that body corporate, or is a Promoter, Manager, Chief Executive Officer of that body corporate; or
b. With a firm or other entity in which, such Director is a Partner, Owner or Member, as the case may be,

shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

Provided that where any Director who is not so concerned or interested at the time of entering into such contractor arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

ii. All Directors / KMPs are required to disclose such details of the entities in which they or their relatives are or deemed to be interested, as is prescribed in Section 184 of the Act.

iii. Each Director and KMP of the Company shall promptly notify the Company Secretary of the Company of any relationship that could reasonably be expected to give rise to any conflict of interest in any proposed or existing and continuing transaction.

iv. The Company shall maintain Register pertaining to RPTs in the prescribed form.

v. The RPTs including Material RPTs, agreements, arrangements, contracts and Policy will be disclosed from time to time as required under the Act, Listing Regulations and applicable Indian Accounting Standards.

8. Amendments to the Policy:

i. The Board of Directors on its own and /or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

ii. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions here under and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

This Policy will be communicated to all operational employees and other concerned persons of the Company and shall be placed on the website of the Company at www. ptlenterprise.com