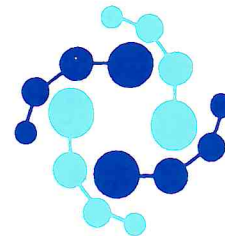


# Steelman Telecom Limited

(Formerly known as Steelman Telecom Private Limited)



## RELATED PARTY TRANSACTIONS POLICY

### STEELMAN TELECOM LIMITED

#### 1. PURPOSE OF THIS POLICY:

Steelman Telecom Limited ("Company") is governed, amongst others, by the Companies Act, 2013 and the rules framed thereunder, as amended ("Act"), and regulations framed by Securities and Exchange Board of India ("SEBI"). The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") has mandated every listed company to formulate a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions ("Policy").

Accordingly, the Company has formulated this, Policy. This Policy regulates all transactions between the Company and its Related Parties.

#### 2. DEFINITIONS:

##### Related Party:

[Section 2(76) of the Companies Act, 2013]

1. Director or his relative
2. Key Managerial Personnel or his relative
3. Firm where a Director, Manager or their relative is a Partner
4. Private Company where a Director, Manager or their relative is a member or Director
5. Public Company where a Director or Manager, along with their relative, holds more than 2% of its Paid-up share capital
6. Any Body Corporate whose Board, Managing Director or manager acts according to the advice, directions or instructions of a director or manager
7. Any Person whose advice, directions or instructions a director or manager is accustomed to follow
8. Any Company which is
  - (a) holding, subsidiary or an associate; or
  - (b) a subsidiary of e holding company to which it is also a subsidiary; or
  - (c) an investee company or venturer company.

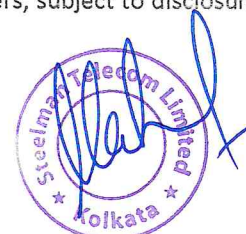
##### Deemed Related Party: [Regulation 2(1)(zb) of SEBI LODR, 2015]

- a. Person or Entity forming part of the promoter or promoter group of the listed entity
- b. Person or Entity, holding 10% or more equity shares in the listed entity either directly or on a beneficial interest basis as provided u/s 89 of Companies Act, 2013, at any time, during immediately preceding financial year

Provided following shall not be considered as RPT:-

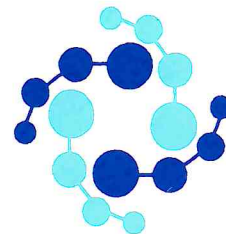
- a. Issue of specified securities on a preferential basis, by complying with SEBI(ICDR), Regulations, 2018;
- b. Corporate actions by listed entity that apply equally to all shareholders in proportion to their shareholding:
  - Payment of dividend
  - Subdivision or consolidation of securities
  - Issuance of securities by way of rights or bonus issue
  - Buy-back of securities
  - Banks or NBFCs accepting fixed deposits on terms applicable to all shareholders, subject to disclosure of same along with disclosure of RPT every six months to the stock exchange.

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## MATERIAL TRANSACTION

### General Rule Material Transaction

Provided that a transaction with a related party shall be considered material, if the transaction(s) to be entered into 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 listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In a simplified manner

- Lower of:
  - ₹1000 crore
  - 10% of annual consolidated turnover

### Applicability of RPT in SME Listed Company (from April 1, 2025):

In case of a listed entity which has listed its specified securities on the SME Exchange, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees fifty crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In a simplified manner

Lower of:

- ₹50 crore
- 10% of turnover

### Special Case (Royalty / Brand Payments):

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, exceed Five percent (5%) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

- **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.
- **Material modification** means any subsequent change to an existing Related Party Transaction, having variance of 20% of the existing limit or Rs.10 crores whichever is lower.
- **Ordinary course of business** means the usual transactions, customs and practices 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.

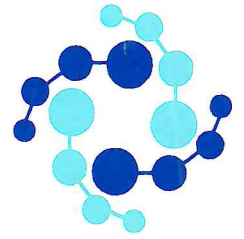
All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such term in the Act and the Listing Regulations, as amended from time to time.

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### 3. IDENTIFICATION OF RELATED PARTIES AND THE RELATED PARTY TRANSACTIONS:

- i. Every promoter, director and key managerial personnel (KMP) of the Company and its subsidiaries/ Joint venture shall,
  - a. at the time of appointment;
  - b. periodically – as required by the Company or applicable law
  - c. whenever there is any change in the information already submitted,

provide requisite information about his / her Relatives and all firms, companies, body corporates, or other association of individuals, in which such promoter, director or KMP is interested, whether directly or indirectly, to the Company or the subsidiary/ Joint venture (as the case may be). Every such promoter, director and KMP shall also provide any additional information about the transaction, that the Board /Audit Committee may reasonably request.

Typical RPTs include:

- Sale/purchase of goods or property
- Leasing arrangements
- Rendering/availling services
- Loans, guarantees, investments
- Transfer of resources or obligations

### 4. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS:

#### A. Audit Committee

All related party transactions entered by a listed entity shall be subject to a structured approval mechanism as prescribed under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time:

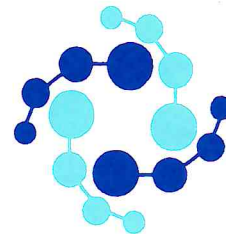
- i. Approval of Audit Committee: Pursuant to Reg 23(2) all related party transactions and subsequent material modification thereto shall require prior approval of the Audit Committee of the listed entity. Such approval shall be granted only by members of the Audit committee who are Independent Director. Any member of the Audit Committee who has a potential interest in any related party transaction shall abstain from discussion and voting on the approval of related party transaction.
- ii. The Audit Committee is required to evaluate whether the proposed transaction is in the ordinary course of business, conducted on an arm's length basis, and in the interest of the listed entity.
- iii. The Audit Committee may grant omnibus approval for Related Party Transactions which are repetitive in nature and subject to such criteria / conditions as mentioned under the Act and the Listing Regulations and such other conditions as it may consider necessary in line with this Policy and in the interest of the Company.
- iv. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

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- v. The Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions and Material modifications thereof, entered into by the Company pursuant to the omnibus approval. Certain procedural aspects concerning review of a Related Party Transaction may be modified or waived by the Committee, at its discretion.
- vi. A Related Party Transaction entered by the Company, which is not under omnibus approval or otherwise pre-approved by the Audit Committee, will be placed before the Audit Committee for consideration, and ratification, if appropriate.
- vii. The Audit Committee shall also pre-approve Related Party Transactions, where the Company is not a party, but the Company's subsidiary is a party, if the value of such transaction crosses the thresholds as prescribed under the Listing Regulations.

## B. Board of Directors

In case any Related Party Transactions are referred by the Company to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length basis, the Board will *inter alia* consider factors such as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction and any other information the Board may deem important/relevant for taking decision on a proposed transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

## C. Shareholders

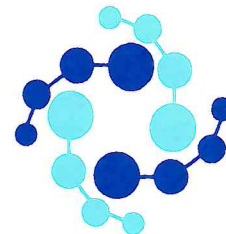
- i. If a Related Party Transaction is (i) a material transaction as per Regulation 23 of the Listing Regulations, or (ii) not in the ordinary course of business, or not at arm's length basis and exceeds certain thresholds prescribed under the Act, then such Related Party Transaction and any subsequent Material modification thereto, shall require shareholders' approval by a resolution. In such case, any member of the Company who is a Related Party, irrespective of being related to the said transaction or not, shall not vote on resolution passed for approving such Related Party Transaction.
- ii. The provisions of Regulation 23(2), (3) and (4) of the Listing Regulations shall not be applicable in case of transactions entered into between a holding company and its wholly owned subsidiary and between two wholly owned subsidiaries, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- iii. In the event the Company becomes aware of a Related Party Transaction that has not been approved under this Policy prior to its consummation, the Company would seek post facto approval from the Audit Committee, the Board and/or shareholders as per applicable laws/ regulations.

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## Reporting of Related Party Transactions

- i. Every contract or arrangement, which is required to be approved by the Board or the 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.
- ii. The details of all transactions with Related Parties shall be submitted, in the prescribed format to the stock exchanges, and requisite disclosures shall be made in other public documents/certificates as legally required, in the manner and as per the timelines set out in the Listing Regulations and the same shall be published on the Company's website.

## 5. MINIMUM INFORMATION REQUIRED FOR AUDIT COMMITTEE REVIEW

All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee. Recent amendment clarifies that such approval shall be based only on **minimum mandatory information**, ensuring informed decision-making.

### A. Minimum Information for Audit Committee Approval

As per the amended framework and industry standards, the listed entity must provide the following information before Audit Committee approval:

#### i. Identity and Nature of Transaction

The company must disclose:

- Name of the related party
- Nature of relationship with the listed entity
- Nature of transaction such as sale, purchase, service, loan, guarantee, royalty, or lease
- Whether the transaction is new or recurring

#### ii. Financial Details of Transaction

The following financial information must be provided:

- Total transaction value or proposed limit
- Pricing structure or formula
- Payment terms including credit period
- Expected annual impact
- Maximum exposure during the financial year

This ensures the Audit Committee understands the full financial implication.

#### iii. Justification and Business Purpose

The listed entity must explain:

- Why the transaction is necessary for business operations
- Strategic or operational benefit to the company
- Alternatives considered and reasons for rejection
- Expected efficiency or cost benefit

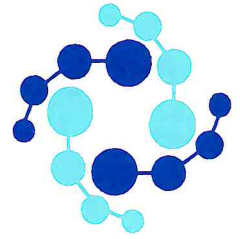
This is important to ensure the transaction is commercially justified.

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#### iv. Arm's Length Assessment

The company must clearly state:

- Whether the transaction is at arm's length
- Method used to determine arm's length pricing
- Benchmarking with market rates or comparable transactions  
This is crucial to prevent profit shifting to related parties.

#### v. Risk and Conflict of Interest Disclosure

The entity must disclose:

- Whether any conflict of interest exists
- Risk of overpricing, dependency, or preferential treatment
- Safeguards adopted to mitigate such risks

#### vi. Subsidiary Related Party Transactions

Where subsidiaries are involved, additional disclosures are required:

- Turnover and financial position of subsidiary
- Whether subsidiary has audited financial statements
- Relationship between subsidiary and related party
- Group structure involvement  
This prevents indirect circumvention of RPT rules through subsidiaries.

#### vii. Pricing Methodology Disclosure

The company must disclose:

- Method of pricing such as cost plus, market price, or valuation-based pricing
- Rationale for selection of method
- Supporting documents or internal valuation reports

#### B. Minimum Information for Shareholder Approval

For material RPTs requiring shareholder approval under Regulation 23(4), additional disclosures must be provided:

##### i. Expanded Transaction Details

Shareholders must receive:

- Complete background of related party
- Detailed description of transaction structure
- Relationship of promoters or controlling shareholders

##### ii. Financial Impact Statement

The listed entity must disclose:

- Expected impact on revenue and profit
- Long-term financial implications
- Whether transaction affects profitability or margins

##### iii. Enhanced Pricing Disclosure

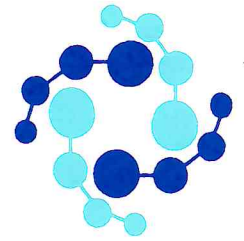
- Detailed justification of pricing fairness
- Comparison with external market benchmarks
- Explanation of why terms are reasonable

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## 6. VALIDITY OF RPT APPROVALS UNDER SEBI LODR REGULATION 23 (AMENDED POSITION)

Approval Authority	Type of Approval	When Applicable	Validity Period	Key Legal Position / Amendment Impact
Audit Committee SEBI LODR Audit Committee Framework	Transaction- specific approval	For every RPT before execution	Valid only for that specific transaction	Cannot be reused; any material modification requires fresh approval
Audit Committee SEBI LODR Audit Committee Framework	Omnibus approval (repetitive transactions)	Routine / recurring RPTs	Maximum 1 financial year	Must be renewed every year; quarterly review mandatory
Board of Directors	Policy approval (RPT policy, thresholds)	Governance framework level	Continuous (no fixed expiry)	Valid until policy is revised or regulatory amendment requires change
Shareholders SEBI LODR Regulations 2015	Material RPT approval	When transaction exceeds material thresholds (e.g., 10% turnover / prescribed limits)	Valid only for specific approved transaction	No promoter/related party voting allowed; fresh approval required for modification
Shareholders SEBI LODR Regulations 2015	Omnibus shareholder approval (rare use)	Pre-approved range of transactions	Till next AGM OR max 1 year, whichever earlier	Cannot extend beyond AGM cycle; renewed annually
Audit Committee (ratification)	Post-facto approval (exceptional cases)	Small RPT executed without prior approval	Must be done within 3 months or next Audit Committee meeting (earlier)	Allowed only for non- material transactions up to ₹1 crore

## 7. LIMITATION, REVIEW AND AMENDMENT:

In the event of any conflict between the provisions of this Policy and of the Act or the Listing Regulations or any other legal requirement ("Applicable Law"), the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy.

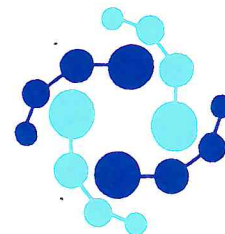
The Board may review this Policy periodically (and at least once every three years) and make amendments from time to time, as may be deemed necessary (including based on recommendation(s) of the Audit Committee).

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## 8. DISCLOSURE REQUIREMENTS FOR RPTs

As per Regulation 23(9) every listed company is required to disclose details of Related Party Transactions (RPTs) to the stock exchanges and make them publicly available. This provision is an important part of the compliance framework governing listed entities in India. Under this regulation, companies are required to:

### (a) Disclose to Stock Exchanges

All related party transactions must be reported to the stock exchanges where the company's securities are listed. The disclosure must be in a prescribed format issued by SEBI

### (b) Publish on Website


The same information must also be uploaded on the company's official website. It should be easily accessible to investors and stakeholders.

## 9. FREQUENCY OF DISCLOSURE

- a. Disclosures must be made once every six months (half-yearly)
- b. They must be submitted along with the publication of Financial Results  
This ensures that investors receive updated and consistent information at regular intervals.

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By The Order of the Board  
For Steelman Telecom Limited  
**Steelman Telecom Limited**

  
Director

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Mahendra Bindal  
(Managing Director)  
DIN: 00484964

*Amended as on dated 29.05.2026*

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