# POLICY ON RELATED PARTY TRANSCATIONS

## BACKGROUND

In terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**Listing Regulations**"), every listed entity shall formulate a Policy on materiality of Related Party Transactions and on dealing with the Related Party Transactions ('**RPT'**). So, considering the requirement, ITCONS e-Solutions Limited ("**ITCONS**") has enacted a Policy on Materiality of Related Party Transactions and on dealing with the Related Party Transactions ("**Policy**") in compliance with the provisions of section 188 of the Companies Act, 2013 ('**the Act'**) read with the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**') as recommended by the Audit Committee and approved by the Board of Directors of the Company.

## OBJECTIVE

The Policy has been formulated to establish the framework for the identification, evaluation, approval of Related Party Transactions ("**RPTs**") and any material modifications thereto. The Policy sets out the criteria for identifying Related Parties, determining the materiality thresholds for Related Party Transactions and material modifications thereof, and prescribes the procedures for reporting and disclosure of such transactions by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## APPLICABILITY AND GOVERNING LAWS

This Policy shall be applicable to all the transactions to be entered into by the Company with related parties in accordance with the applicable provisions under the Act, Listing Regulations and such other regulatory provisions as may be applicable and amended from time to time.

## 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 conflict of interest.

'**Audit Committee'** means a committee of the Board of Directors of the Company constituted under section 177 of the Act and Regulation 18 of the Listing Regulation.

**"Ordinary course of business"** shall mean activities that are necessary, normal and incidental to the core operations of the Company. These activities represent the usual and common practices, customs and transaction undertaken in the day-to-day conduct of business.

**"Key Managerial Personnel"** means Key Managerial Personnel ('KMP') as defined in section 2(51) of the Act, in relation to the Company, means

- the Chief Executive officer or Managing Director or Manager;
- the Company Secretary;
- the Whole Time Director;

- the Chief Financial Officer
- such other officer, not more than one level below the Directors who is in whole-time employment, designated as KMP by the Board; and
- such other officer as may be prescribed;

"**Related Party**" with reference to a Company;

**(I) As per section 2(76) of the Act:**

- a director or his relative;
- a key managerial personnel or his relative;
- a firm, in which a director, manager or his relative is a partner;
- a private company in which a director or manager or his relative is a member or director;
- a public company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid-up share capital;
- any body-corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager, except such advice, directions or instructions given in a professional capacity;
- any person on whose advice, directions or instructions a director or manager is accustomed to act, except such advice, directions or instructions given in a professional capacity;
- a director, other than an independent director, or key managerial personnel of the Holding Company or his relative with reference to a company, shall be deemed to be a Related Party;
- any company which is:
  (a) a Holding, Subsidiary or an Associate company of such company or;
  (b) a Subsidiary of a Holding Company to which it is also a Subsidiary;
  (c) an investing company or the venturer of the company;

**Explanation** — For the purpose of this clause, 'the investing company or the venturer of a company' means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

**(II) As per Regulation 2(1)(zb) of the Listing Regulations:**

a related party as defined under sub-section (76) of section 2 of the Act or under the applicable Accounting Standards:

Provided that:
(a) any person or entity forming a part of the promoter or promoter group of the Company;
(b) any person or any entity, holding equity shares of 10% or more in the Company either directly or on a beneficial interest basis as provided under Section 89 of the Act, at any time, during the immediate preceding financial year;
shall be deemed to be a related party.

'**Relative'** with reference to any person as per Section 2(76) of the Act, means anyone who is related to another, if –

(i) they are members of a Hindu Undivided Family;
(ii) they are husband and wife; or

(iii) A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely
a) Father (including step-father)
b) Mother (including step-mother)
c) Son (including step-son)
d) Son's wife
e) Daughter
f) Daughter's husband
g) Brother (including step-brother)
h) Sister (including step-sister)

'**Related Party Transactions'**

**(I) As per Section 188 of the Act:**

Any contract or arrangement with respect to the following:
i. sale, purchase or supply of any goods or materials;
ii. selling or otherwise disposing of, or buying, property of any kind;
iii. leasing of property of any kind;
iv. availing or rendering of any services;
v. appointment of any agent for purchase or sale of goods, materials, services or property;
vi. such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
vii. underwriting the subscription of any securities or derivatives thereof of the Company.

**(II) As per Regulation 2(1)(zc) of the Listing Regulations:**

A transaction involving a transfer of resources, services or obligations between:
(i) the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or
(ii) the Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries;

regardless of whether a price is charged and a 'transaction' with a related party shall be construed to include a single transaction or a group of transactions in a contract.

Provided that the following shall not be a related party transaction:
a. the issue of specified securiti es on a preferential basis, subject to compliance of the requirements under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

b. the following corporate actions which are uniformly applicable / offered to all shareholders in proportion to their shareholding:
(i) payment of dividend;
(ii) subdivision or consolidation of securities;
(iii) issuance of securities by way of a rights issue or a bonus issue; and
(iv) buy back of securities.

c. acceptance of fixed deposits by banks / Non-banking Finance Companies at the terms uniformly applicable / offered to all shareholders / public.

d. acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:

**Explanation**: For the purpose of clauses (c) and (d) above, acceptance of deposits includes payment of interest thereon.

e. retail purchases from the Company or its subsidiary by the directors or key managerial personnel of the Company or its subsidiary/(ies) and relatives of such directors or key managerial personnel without establishing a business relationship and at the terms which are uniformly applicable / offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel.

## MATERIAL THRESHOLD LIMIT FOR RELATED PARTY TRANSACTIONS

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 percent of the annual consolidated turnover of the Company as per the latest audited financial statements of the company, whichever is lower.

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 of the annual consolidated turnover of the company as per the latest audited financial statements of the company.

## IDENTIFICATION OF RELATED PARTIES

1. Each Director and KMP shall, at the beginning of every financial year, submit list of related parties including relatives and entities in which they are directly/ indirectly interested. Further, the directors and KMPs shall promptly inform the Company of any changes in the information submitted by them.

2. Each Director and KMP shall provide written notice to the Company Secretary & Compliance Officer of any potential related party transaction involving him/ her or his/ her relatives.

3. Contract or arrangement entered into by the Company without disclosure of participation by a director or KMP who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the Audit Committee or the Board of Directors, as the case may be.

## MINIMUM INFORMATION TO BE PROVIDED FOR APPROVAL OF RELATED PARTY TRANSACTION

While placing any proposal for review and approval of an RPT, the Company shall provide the Audit Committee and Shareholders with the information as specified in the Industry Standards on 'Minimum Information to be provided to the Audit Committee and Shareholders for approval of Related Party Transaction', as made applicable by SEBI and as amended from time to time

Minimum information to be placed before Audit Committee:

1. Basic details of related party
2. Relationship and ownership of the related party
3. Details of previous transactions with the related party
4. Amount of the proposed transaction(s)
5. Basic details of the proposed transaction

**MANNER OF DEALING WITH RELATE PARTY TRANSACTIONS**

**Review and approval by Audit Committee**

In terms of Regulation 23 of Listing Regulation, prior approval of Audit Committee is required for entering into transactions with related parties. Only those members of the Committee who are Independent Directors will approve Related Party Transactions. Any member of Audit Committee who is in any way concerned or interested in any Related Party Transaction, shall remain abstain from discussion and voting on any such resolution.

However, the Audit Committee may grant omnibus approval in case of frequent/regular/repetitive transactions with related parties which are in the normal/ordinary course of business of the Company. While granting such approval the Audit Committee shall satisfy itself regarding the need for the omnibus approval and that same is in the interest of the Company.

The omnibus approval shall specify the following:

a. Name of the related party
b. Nature of the transaction
c. Period of the transaction
d. Maximum amount of the transaction that can be entered into
e. Indicative base price/ current contracted price and formula for variation in price, if any
f. Such other conditions as the Audit Committee may deem fit

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction unless the price, value or material terms of the contract or arrangement have been varied/amended. Any proposed variations/amendments to these factors shall require a prior approval of the Committee.

Further, where the need of the related party transactions cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the limits as envisaged in the Listing Regulation, from time to time. Further, the Committee shall on quarterly basis review and assess such transactions including the limits to ensure that they are in compliance with the policy. The omnibus approval shall be valid for a period of one year and fresh approval shall be obtained after the expiry of one year.

**APPROVAL BY THE BOARD**

The Related Party Transactions as specified under sub section (1) of section 188 of Act, which are not in the ordinary course of business and on an Arm's length basis, shall require approval of the Board. Further if the Committee is of the view that certain Related Party Transactions should be bought before the Board or if the Board in any case elects to review any such matter or it is specifically provided under any other

provision of the Act to be passed by the Board, then the Board shall consider and approve such Related Party Transactions.

Where any Director is interested in any Contract or Arrangement with a related party, such Director shall not be present at the meeting during the discussion on the subject matter of the resolution relating to such contract or arrangement.

**APPROVAL OF SHAREHOLDERS**

a. All material related party transactions shall require approval of the shareholders through a resolution and the Related Parties shall abstain from voting on such resolution
b. All the related party transaction(s) to be entered into in terms clauses (a) to (e) of sub section 1 of section 188 the value/consideration of which is in excess of their respective limits specified under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rule, 2014, other than transactions which are in the ordinary course of business and on Arm's Length basis, shall require approval of the shareholders. No member of the company shall vote on any resolution involving a transaction if such member is a related party.

**DISCLOSURE AND REPORTING OF RELATED PARTY TRANSCATIONS**

The Company shall make appropriate disclosures/ reporting with respect to related party transaction as per the applicable provisions of the Act and Listing Regulations.

The Company shall also maintain relevant register(s) for recording particulars of all such transactions, contracts or arrangements with the related parties as per the relevant provisions of the Act.

**AMENDMENT**

Any change in the policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and/ or amend any part of this policy or the entire policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory provisions shall prevail.

**DISSEMINATION OF THE POLICY**

The policy shall be hosted on the website of the Company at www.itconsinc.com

***Date of Approval of Board of Directors: January 30, 2026***
***Version No. : 2.0***