

Related Party Transactions Policy of
Bharat Wire Ropes Limited

[Under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]
(Last amended as on 03rd February, 2025)

**Summary of amendments to be made in Related Party Transaction Policy as per SEBI (LODR)
2024 – Third Amendment Dated. 12.12.2024**

Sr. No.	Particulars	Pre-Amendment	Post Amendment / Changes made
1.	Treatment of Remuneration and sitting fees paid to non-promoter/promoter group Director as per Reg 23(2) & 23(9)	<p>The Remuneration and sitting fees paid by the listed entity or its subsidiary to non-promoter/promoter group directors shall required to avail Audit Committee approval.</p> <p>Further, these transactions are also required to be reported in RPT half-yearly filings made by the Company as per Reg 23(9).</p>	<p>Remuneration and sitting fees paid by the listed entity 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</p> <p>Further, these transactions are also not required to be reported in RPT filings made by the Company as per Reg 23(9).</p>
2.	Changes in Ratification of RPT Transactions	-	<p>New ratification conditions duly inserted:</p> <p>The members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions:</p> <ul style="list-style-type: none"> •The value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore; • The transaction is not material in terms of the provisions of sub-

			<p>regulation (1) of this regulation;</p> <ul style="list-style-type: none"> • Rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification; • The details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of this regulation; • Any other condition as specified by the audit committee:
	Failure to Ratify the transaction	–	<p>Proviso newly inserted:</p> <p>Provided that failure to seek ratification of the audit committee shall render the transaction voidable at the option of the audit committee and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.</p>
3.	Addition of exemption of RPT Approval.	–	<p>New List of exemption is duly inserted.</p> <p>i. 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.</p> <p>ii. 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.”</p>

1. Purpose of this policy:

- A. Bharat Wire Ropes Limited (“**Company**”) is governed, amongst others, by the rules and regulations framed by Securities Exchange Board of India (“**SEBI**”). SEBI has mandated every listed company to formulate a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.
- B. Accordingly, the Company has formulated this policy on materiality of Related Party Transactions and on dealing with Related Party Transactions (“**Policy**”). This Policy regulates all transactions between the Company and its Related Parties (as defined below).
- C. The Audit Committee will review the Policy periodically and may amend the same from time to time and propose the same to the Board for approval.

2. Definitions:

“**Act**” shall mean the Companies Act, 2013 and includes any amendment thereof.

“**Audit Committee**” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities Exchange Act, 1934, as may be applicable.

“**Company**” means Bharat Wire Ropes Limited.

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

3. Review and approval of Related Party Transaction:

Approval of related party transactions

A. Audit Committee

- i. All the transactions which are identified as related party transactions should be pre-approved by the Audit Committee before entering into such transaction. The Audit Committee shall consider all relevant factors while deliberating the related party transactions for its approval.

- ii. Any member of the Committee who has a potential interest in any related party transaction will rescue himself and abstain from discussion and voting on the approval of the related party transaction. A related party transaction which is (i) not in the ordinary course of business, or (ii) not at arm's length price, would require approval of the Board of Directors or of Shareholders as discussed subsequently.
- 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 Listing Regulations and such other conditions as it may consider necessary in line with this policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.
- iv. Audit Committee shall review, on a quarterly basis, the details of related party transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a related party transaction, the Committee has authority to modify or waive any procedural requirements of this policy.
- v. The members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions:
 - The value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
 - The transaction is not material in terms of the provisions of sub-regulation (1) of this regulation;
 - Rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
 - The details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of this regulation;
 - Any other condition as specified by the audit committee:

Provided that failure to seek ratification of the audit committee shall render the transaction voidable at the option of the audit committee and if the transaction is with a related party to any director, or is authorised by any

other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.

- vi. Remuneration and sitting fees paid by the listed entity 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 provisions of SEBI (LODR) 2015.

B. Board of Directors

- i. 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 price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such 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 rescue 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 Listing Regulations, or (ii) not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Companies Act, 2013, it shall require Shareholders' approval by a special resolution. In such a case, any Member of the Company who is a related party, shall not vote on resolution passed for approving such related party transaction.

D. Reporting of related party transactions

- i. 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.

- ii. Remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure under this sub-regulation provided that the same is not material in terms of the provisions of sub-regulation (1) of 23 regulation.

4. Changes to exemption of RPT Transactions Approval

- i. Transactions entered into between two public sector companies
- ii. 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.
- iii. 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.
- iv. 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.
- v. 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.”

5. Limitation and Amendment:

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Agreement or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.
