

JAGSONPAL SERVICES LIMITED
*(Formerly Known as
Jagsonpal Finance and Leasing Limited)*

**RELATED PARTY
TRANSACTION POLICY**

Preamble

This Policy on Materiality of and Dealing with Related Party Transactions (“Policy”) is framed in accordance with:

- Section 177 and Section 188 of the Companies Act, 2013, read with applicable Rules;
- Regulation 23 and other applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), as amended from time to time;
- Applicable circulars, guidelines and notifications issued by SEBI from time to time.

The Company shall comply with the Industry Standards on “Minimum Information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions” as notified by SEBI and amended from time to time, including relaxations introduced vide SEBI Circular dated 13 October 2025.

This Policy supersedes all earlier policies on Related Party Transactions adopted by the Company.

The Board of Directors of **Jagsonpal Services Limited** (“Company”) has adopted this Policy to regulate transactions between the Company and its Related Parties and to ensure transparency, arm’s-length pricing, and protection of minority shareholders’ interests.

The Audit Committee shall review this Policy at least once every 3 years, or as required by law.

Objective

The objective of this Policy is to:

- Ensure proper identification, approval and disclosure of Related Party Transactions (“RPTs”);
- Ensure RPTs are in the ordinary course of business and at arm’s length;
- Lay down materiality thresholds;
- Provide governance framework in line with SEBI amendments;
- Safeguard the interests of shareholders.

Applicability

This Policy shall apply to:

- The Company;
- Its subsidiaries;
- All **Related Party Transactions undertaken directly or indirectly.**

Definitions

“Audit Committee or Committee” means the Committee of the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013, read with Rules framed thereunder and Regulation 18 of the Listing Regulations.

“Board” means the Board of Directors of the Company.

“Material Related Party Transactions” shall have the same meaning as defined in Regulation 23 of the SEBI LODR Regulations. 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 exceed ₹1,000 crore or 10% of the annual consolidated turnover, whichever is lower, as per the last audited financial statements; OR
- Such other threshold as may be prescribed by SEBI from time to time.

“Related Party” shall have the same meaning as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI LODR Regulations.

Reference and reliance may be placed on the clarification issued by the Ministry of Corporate Affairs, Government of India, SEBI and other Authorities from time to time on the interpretation of the term “Related Party”.

“Related Party Transaction” refers to those transactions that are covered under the scope of section 188 of the Act and Regulation 2(1)(zc) of the SEBI LODR and any other applicable provisions as amended from time to time.

Includes transactions involving the transfer of resources, services or obligations between:

- The Company and a Related Party; or
- A subsidiary and a Related Party.

“Deemed Related Party Transaction” means a transaction involving a subsidiary of the Company with a related party of the listed entity, which shall be deemed to be a Related Party Transaction for the purposes of Regulation 23 of the SEBI LODR Regulations.

“Relative” means relative as defined under Section 2(77) of the Act and Regulation 2(1)(zd) of SEBI Listing Regulations, 2015, includes anyone who is related to another, if –

- i. They are members of a Hindu undivided family;
- ii. They are husband and wife; or
- iii. Father (including stepfather);
- iv. Mother (including stepmother);

- v. Son (including stepson);
- vi. Son's wife;
- vii. Daughter;
- viii. Daughter's husband;
- ix. Brother (including stepbrother)
- x. Sister (including stepsister)

“Material Modification” means any modification made to the value or terms of a Related Party Transaction as originally approved by the Audit Committee and/or shareholders, which results in a variation of 10% or more in the approved transaction value or results in the transaction no longer being in the ordinary course of business or on an arm's length basis, or such other parameter as may be determined by the Audit Committee from time to time.

“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.

“Ordinary course of business” means transactions that are normal, usual and incidental to the main business of the Company and are carried out in the normal course of operations.

The following factors are indicative of a transaction being in the ordinary course of business:

- i. The transaction is normal or otherwise unremarkable for the business.
- ii. The transaction is frequent/regular
- iii. The transaction is a source of income for the business
- iv. Transactions that are part of the standard industry practice, even though Company may not have done it in the past.

These are not exhaustive criteria, and the Company will have to assess each transaction considering its specific nature and circumstances.

Interpretation

Terms that have not been defined in this Policy shall have the same meaning as assigned to them in the Companies Act, 2013, SEBI LODR Regulations and/or any other SEBI Regulation(s) as amended from time to time.

In case of any dispute or difference between the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Audit Committee, and the decision of the Audit Committee in such a case shall be final.

Materiality Threshold under Regulation 23

Pursuant to Regulation 23(1) and 23(4) of the SEBI LODR Regulations, a Related Party Transaction shall be considered **Material** if the transaction(s), individually or taken together with previous transactions during a financial year, exceed:

- ₹1,000 crore; or
- 10% of the annual consolidated turnover of the Company,

whichever is lower, as per the last audited financial statements of the Company.

All **Material Related Party Transactions and subsequent material modifications** shall require **prior approval of the shareholders through resolution**, and **no related party shall vote to approve such resolution**.

Materiality shall be determined in accordance with the definition provided in this Policy.

Manner of Dealing with Related Party

All Related Party Transactions and subsequent material modifications thereof shall be reported to the Audit Committee and referred to for prior approval by the Committee in accordance with this Policy. Only those members of the Audit Committee who are Independent Directors shall approve the related party transactions.

On a quarterly basis, the Audit Committee shall review transactions with related parties for omnibus approval given on the basis of the Applicable Regulatory Provisions. Omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

- **Identification of related parties:**

The Company shall identify Related Parties as per the definition provided in the applicable laws and regulations, including the Act and the Listing Regulations, as amended from time to time.

The Company shall:

- Maintain an updated list of Related Parties;
- Obtain periodic disclosures from Directors, KMP and Senior Management;
- Evaluate transactions for RPT classification;
- Seek professional advice where necessary.

- **Identification of Related Party Transactions:**

The Company shall identify related party transactions in accordance with Section 188 of the Act and Regulation 2(1)(zc) of the SEBI Listing Requirements. The Company shall determine whether the transaction is in the ordinary course of business and on an arm's length basis, and for this purpose, the Company may seek external professional opinion, if necessary.

Procedure for approval of related party transactions:

Approval of the Audit Committee

- All related party transactions and subsequent material modifications require prior approval of the Audit Committee.
- Only those Members of the Audit Committee who are independent directors shall approve related party transactions.
- A related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the Audit Committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover of the subsidiary, as per the last audited financial statements of the subsidiary.
- The Audit committee may grant omnibus approval for related party transactions proposed to be entered into by the listed entity or its subsidiary, subject to compliance with the following conditions:
- The Audit Committee shall, after seeking guidance from the Board of Directors, specify the criteria for granting the omnibus approval in line with this Policy, which shall include the following, namely:
 - the name/s of the related party and its relationship with the company and/or its subsidiary, nature of transaction, period of transaction, maximum number of transactions, in aggregate, which shall be entered into in a year;
 - the maximum value per transaction which can be allowed;
 - Pricing mechanism disclosed - The indicative base price/current contracted price and the formula for variation in the price, if any;
 - Justification recorded
 - transactions which cannot be subject to omnibus approval by the Audit Committee; and
 - Review, at such intervals as the Audit Committee may deem fit, related party transactions entered into by the Company pursuant to each omnibus approval made.
 - such other conditions as the Audit Committee may deem fit.
- The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:
 - repetitiveness of the transactions (in past or in future).
 - justification for the need for omnibus approval
- The Audit Committee shall satisfy itself that the need for such omnibus approval exists and that such approval is in the interest of the Company.
- However, in case of related party transactions which cannot be foreseen and where the above details are not available, the Audit Committee may grant omnibus approval provided the value does not exceed Rs. 1 crore per transaction.
- 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 company(s) pursuant to each of the omnibus approvals given.

- Such omnibus approval shall be valid for a period not exceeding 1 financial year and shall require fresh approval after expiry of such a financial year.
- In compliance with the approval of the Board of Directors, the Audit Committee of the Company has specified the following criteria for granting omnibus approval:
- For each category of transactions identified as per this policy, the Company has a specific framework and guidelines explaining the arm's length criteria to be followed by the Company and/or the subsidiary, as may be applicable, while entering into transactions falling under contracts and agreements with related parties identified as per this policy. The Company and/or the subsidiary, as may be applicable, while entering into RPTs, will ensure adherence to the framework and guidelines and will maintain necessary documents for the same.

- While seeking approval for a Related Party Transaction, the Audit Committee shall be provided the minimum information prescribed under the Industry Standards and SEBI Circulars, including disclosures relating to:
 - Nature and material terms
 - Turnover percentages
 - Valuation reports
 - Source of funds (for loans/ICDs/advances)
 - Purpose of funds
 - Justification in the interest of the Company
 - Any other relevant information.
- The Board may consider the details as required to be provided under the Act and the SEBI LODR Regulations to the Audit Committee, in order to determine if the transaction is in the ordinary course of business and at arm's length or not.
- The requirement for seeking Audit Committee approval for related party transactions shall not be applicable:
 - to transactions between the Company and its wholly owned subsidiary/ies or between two wholly owned subsidiaries of the Company, whose accounts are consolidated with the Company.
 - Remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except those who are part of the promoter or promoter group, shall not require approval of the audit committee, provided that the same is not a material transaction as per this policy.
- Transactions of the following nature will not be subject to the omnibus approval of the Audit Committee:
 - Transactions which are not at arm's length or not in the ordinary course of business.
 - Transactions that are not repetitive in nature.
 - Transactions exceeding materiality thresholds as laid down in the Policy.
 - Transactions in respect of selling or disposing of an undertaking of the Company.
- Financial Transactions, e.g., loans to related parties, Inter Corporate Deposits, subscriptions to bonds, debentures, or preference shares issued by the related parties, corporate guarantees given/received from related parties.
- Any other transaction the Audit Committee may deem not fit for omnibus approval.

Approval of the Board of Directors of the Company

Board approval shall be required:

- Where RPT is not in the ordinary course or not at arm's length;
- Where required under Section 188;
- Where the Audit Committee refers a matter to the Board;
- For transactions requiring shareholder approval.
- Interested Directors shall abstain from voting.

Approval of the Shareholders of the Company

Shareholder approval shall be required for:

- Material Related Party Transactions;
- Material Modifications;
- Transactions exceeding thresholds under the Companies Act.
- No Related Party shall vote to approve such resolution, irrespective of whether related to that transaction.

All related parties of the listed entity shall abstain from voting on such resolutions, irrespective of whether they are a party to the transaction.

Exceptions

Shareholder approval not required for:

- Transactions between the Company and a wholly owned subsidiary whose accounts are consolidated;
- Transactions between two wholly owned subsidiaries;
- Resolution plan under Insolvency Code (subject to disclosure).

Approval of Material Modifications

Any material modification to an existing Related Party Transaction shall require prior approval of the Audit Committee and shareholders, where applicable.

Material modification shall be determined in accordance with the definition provided in this Policy.

MINIMUM INFORMATION REQUIREMENTS

Minimum Information to be Placed Before Audit Committee and Shareholders

The Company shall place before the Audit Committee and Shareholders, as applicable, the minimum information prescribed under:

- Regulation 23 of SEBI LODR
- Section III-B of SEBI Master Circular
- Industry Standards on RPT
- SEBI Circular dated 13 October 2025 (including Annexure-13A)

Threshold Based Relaxation (as per 13th October 2025 Circular)

Where a transaction, individually or taken together with previous transactions during a financial year:

1. Does not exceed **1% of the annual consolidated turnover** of the Company as per the last audited financial statements OR **Rupees Ten Crore**, whichever is lower → Information as per Annexure-I shall be provided.
2. Does not exceed **Rupees One Crore** → Detailed minimum information format shall not apply, subject to applicable provisions of law.
3. Exemption threshold of Rupees One Crore under Industry Standards shall continue to apply.

Transactions involving Subsidiaries

A Related Party Transaction to which a **subsidiary of the Company is a party but the Company itself is not a party** shall require **prior approval of the Audit Committee of the Company**, if the value of such transaction, whether entered into individually or taken together with previous transactions during a financial year, **exceeds 10% of the annual standalone turnover of the subsidiary**, as per the last audited financial statements of the subsidiary. This requirement shall also apply where the transaction involves a subsidiary of the listed entity and a related party of the listed entity.

However, **materiality for shareholder approval shall continue to be determined with reference to the consolidated turnover of the listed entity**, in accordance with Regulation 23 of the SEBI LODR Regulations.

Ratification of Related Party Transaction

The Audit Committee may ratify Related Party Transactions entered into without prior approval, subject to compliance with Regulation 23(2)(f) of SEBI LODR Regulations.

If the Audit Committee is of the view that the transaction is not in the interest of the Company, it may recommend appropriate action, including termination or modification of the transaction, subject to the following conditions:

1. 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;
2. The transaction is not material in terms of the provisions given in the Act or

- Regulation as applicable;
3. Rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
 4. The details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions given in regulation 23(9) of the Listing Regulation;
 5. any other condition as specified by the audit committee.

Disclosure and reporting of related party transactions:

The Company shall disclose, in its financial statements, the transactions entered into between the Company and its Related Parties during the financial year, along with the policies concerning Related Party Transactions, in accordance with the applicable provisions of the Companies Act, 2013 and the relevant Accounting Standards.

The Company shall submit to the Stock Exchanges disclosures of Related Party Transactions on a half-yearly basis, in the format specified by SEBI from time to time, within the timelines prescribed under the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall publish the same on its website.

Provided that the remuneration and sitting fees paid by the listed entity or its subsidiary to its directors, key managerial personnel or senior management, except those who are part of the promoter or promoter group, shall not require disclosure, provided that the same is not a material Related Party Transaction.

The Company shall disclose this Policy on its website, and a web link thereto shall be provided in the Annual Report.

Law to take Precedence and Applicability

In the event of any variation or inconsistency between the provisions of the Policy and the applicable Regulations and/or the Act, the provisions of the applicable Regulations and/or the Act, as the case may be, shall prevail over the Policy and the provisions of the Policy shall be deemed to have been amended to be read in consonance with the Regulations and/or the Act.

Review of Policy

The Board of Directors shall review this Policy at least once every three years and may amend or modify it from time to time to ensure compliance with applicable laws, regulatory requirements and business needs. The Policy may also be reviewed earlier in the event of any regulatory amendment or significant change in the business structure of the Company.

Amendment

The Board of Directors reserves the right to amend or modify this Policy in whole or in part at any time to align with applicable laws and regulatory requirements.

** This policy shall be effective from 13th February 2026*

Place: Mumbai

Original approved on: 26th May 2025

Revised and adopted on: 13th February 2026

Chairman
