



RELATED PARTY TRANSACTION POLICY OF MASTER TRUST LIMITED

(U/s 188 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015)

1. **PREAMBLE:**

The Company is committed to upholding the highest ethical and legal conduct in fulfilling its responsibilities and recognizes that RPTs can present a risk of actual or apparent conflicts of interest of the Directors, Senior Management etc. with the interest of the Company.

The Board of Directors (the “Board”) of Master Trust Limited (the “Company” or “VSSL”) adopts the following policy and procedures with regard to Related Party Transactions (RPTs) as defined below in compliance with the requirements of Section 188 of the Companies Act 2013 and Rules made there under including any subsequent amendments thereto (the “Act”) and Regulation 23 of SEBI (LODR) Regulations, 2015, as may be amended from time to time, in order to ensure the transparency and procedural fairness of such transactions.

2. **OBJECTIVE:**

This policy is intended to ensure the proper approval and reporting of transactions as applicable, between the Company and any of its related party in the best interest of the Company and its Stakeholders. Provisions of this policy are designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of RPTs, in terms of the applicable laws.

3. **DEFINITIONS:**

3.1. **“Related Party Transaction (RPT)”** is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged and will include following specific transactions:

- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services;

- e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- g) Underwriting the subscription of any securities or derivatives thereof, of the company;
(Section 188(1) of the Companies Act, 2013 and Regulation 2 (zb) of SEBI (LODR) Regulations, 2015.)

3.2. **“Related Party”**- means a party as defined under:-

- 1) Section 2(76) of the Companies Act, 2013; or
- 2) Regulation 2(zb) of SEBI (LODR) Regulations, 2015.

3.3 **“Material 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 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 (Regulation 23(1) of SEBI (LODR) Regulations, 2015)

3.4 **“Relative”** - with reference to any person, 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) One person is related to the other 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

3.5 The terms used in this Policy unless defined, wherever context so require, shall have the same meaning as prescribed under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015.

4 PROCEDURES:

4.1 Audit Committee

All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the listed entity.

Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.

Provided further that:

(a) The audit committee of a listed entity shall define “material modifications” and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions;

(b) 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 consolidated turnover, as per the last audited financial statements of the listed entity;

(c) with effect from April 1, 2023, 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, as per the last audited financial statements of the subsidiary;

(d) prior approval of the audit committee of the listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (d) above, the prior approval of the audit committee of the listed subsidiary shall suffice.

[e) 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 the provisions of sub-regulation (1) of this regulation.

(f) 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:

- (i) 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;
- (ii) the transaction is not material in terms of the provisions of sub-regulation (1) of this regulation.
- (iii) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
- (iv) 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;
- (v) 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 authorized by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.

- a. Audit committee may grant omnibus approval for related party transactions proposed to be entered into by the listed entity or its subsidiary subject to the following conditions, namely
- b. The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on RPTs of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.
- c. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- d. Such omnibus approval shall specify-
 - i. the name/s of the related party,
 - ii. nature of transaction
 - iii. period of transaction
 - iv. maximum amount of transaction that can be entered into
 - v. indicative base price/current contracted price
 - vi. formula for variation in the price, if any.
 - vii. such other conditions as the Audit Committee may deem fit

Provided that where the need for RPT cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.

- e. The Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.

- f. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- 4.1.1 All material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

Provided further that the requirements specified under this sub-regulation shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

The provisions of this regulation shall be applicable to all prospective transactions.

All existing material related party contracts or arrangements entered into prior to the date of notification of these regulations and which may continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of these regulations.

The listed entity shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the Board from time to time, and publish the same on its website.

- 4.1.2 Any member of the Committee who has an interest in the transaction under discussion will abstain from voting on the approval of the RPT. However, the Chairman of the Committee may allow participation of such member in some or all of the Committee's discussions of the RPT.

4.2 Board of Directors

- 4.2.1 All RPTs falling under the purview of sections 188(1), will require approval of the Board of Directors at its meeting.
- 4.2.2 The Agenda of the Board meeting at which the resolution is proposed to be moved shall disclose:-
- a) The Name of the Related Party and nature of relationship;
 - b) The nature, duration and particulars of the contract or arrangement;
 - c) The material terms of the contract or arrangement including the value if any;
 - d) Any advance paid or received for the contract or arrangement, if any;
 - e) The manner of determining the pricing and other commercial terms.
 - f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
 - g) Any other information relevant or important for the Board to take a decision on the proposed transaction.
- 4.2.3 Where any director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement. *(Rule 15(2) of the Companies (Meetings of Board and its Powers) Rules, 2014*

5 DISCLOSURE:

- 5.1 Each director who is, directly or indirectly, concerned or interested in any way in any transaction with the Related Party shall disclose all material information and the nature of his interest in the transaction to the Committee or Board of Directors.
- 5.2 The Policy shall be disclosed on the Company's website, if required, by any applicable laws, rules and regulations.

6 REVIEW OF POLICY:

The Board of Directors may periodically review this Policy and may recommend amendments to this Policy as it deems appropriate.

7 AMENDMENTS:

This policy can be reviewed by Audit Committee/Board periodically and it can be further amended considering the legal requirements from time to time subject to approval and adoption of the Board. In case there arise any conflict in the policy with any provision of the Companies Act, Listing Regulations or in case of any notification(s), amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the Policy, then such provision(s), notification(s), amendment(s), clarification(s), circular(s) etc. shall prevail and this Policy shall stand amended accordingly.

8. UPDATION OF POLICY:

The Board has reviewed and updated the related party transaction policy in its Board Meeting held on 29th May, 2025.

