

## POLICY ON RELATED PARTY TRANSACTIONS

### 1. INTRODUCTION

This Policy on Related Party Transactions (hereinafter referred to as “Policy”) of ZR Infra Limited (hereinafter referred to as “the Company”) and the amendment to this Policy, if any, by the Board of Directors of the Company or any committee thereof shall be effective from the date on which it is notified from time to time.

The Company always been committed to best corporate governance practices and this Policy is prepared for ensuring compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other regulatory provisions, as may be applicable.

### 2. OBJECTIVE OF THE POLICY

The objective of this Policy is to set out (a) the basis of identifying related parties of the Company as well as related party transactions, (b) the materiality thresholds for related party transactions and (c) the manner of entering into transactions between the Company and its related parties based on the Act read with the SEBI Listing Regulations and any other laws and regulations as may be applicable to the Company.

### 3. DEFINITIONS

3.1 “Act” means the Companies Act, 2013 as amended from time to time;

3.2 “Audit Committee” shall mean the audit committee constituted by the Board from time to time, in accordance with the provisions of the Act and the SEBI Listing Regulations.

3.3 “Board of Directors” or “Board” means the collective body of the Directors of the Company, as constituted from time to time, in line with the provisions of the Act and the SEBI Listing Regulations.

3.4 “SEBI Listing Regulations” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3.5 “Regulation 23” means the Regulation 23 of the SEBI Listing Regulations.

3.6 “Arm’s Length Transaction” means a transaction between two related parties that is conducted as if they were unrelated parties, so that there is no conflict of interest;

3.7 “Company” means ZR Infra Limited;

3.8 “Relative” with reference to a Director or KMP means persons as defined in Section 2(77) of the Act and rules prescribed thereunder;

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

3.10 "Related Party Transaction" **a. Under the Companies Act, 2013**

Any contract or arrangement with respect to the following shall be considered as a Related Party Transaction (RPTs):

- 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.

Notwithstanding the foregoing, the following shall not be deemed RPTs:

- i) Any transaction which is in the ordinary course of business and on an arms' length basis as determined in terms of this Policy.
- ii) Any other exception which is consistent with the Applicable Laws, including any rules or regulations made thereunder.

**b. As per Listing Regulations:**

A "Related Party Transaction" means a transaction involving a transfer of resources, services or obligations between:

- (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- (ii) a listed entity 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 listed entity 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 securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (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. sub-division 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) retail purchases from any listed entity or its subsidiary by the directors employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors,;

**4. "MATERIAL RELATED PARTY TRANSACTIONS"**

**As per SEBI (LODR) Regulations, 2015:**

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 the following:

<b>Consolidated Turnover of Listed Entity Threshold</b>	<b>Threshold</b>
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹20,000 Crore to upto ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5000 Crores, whichever is lower.

Explanation: For the purpose of computing the thresholds stated above, the annual consolidated turnover of the listed entity shall be determined based on the last audited financial statements of the listed entity.

Notwithstanding the above, 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 5 percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

#### **Under Companies Act, 2013:**

Following transactions with a Related Party shall be construed as Material

Related Party Transactions:

<b>Sr. No.</b>	<b>Transaction or contract or arrangements for</b>	<b>Limits</b>
1	Sale, purchases or supply of any <b>goods or materials</b> , directly or through appointment of agent	<b>10% of the turnover of the Company</b> , Explanation: The above limit is applicable for the transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.
2	<b>Leasing</b> of property of any kind	
3	<b>Availing or rendering</b> of any services, directly or through appointment of agent	
4	Selling or otherwise disposing of, or buying <b>property</b> of any kind, directly or through appointment of agent	<b>10% of the net worth</b> Explanation: The above limit is applicable for the transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.
5	Appointment of a Related Party to any office or <b>place of profit</b> in the Company, its Subsidiary Company or Associate Company	Where monthly remuneration Exceeds Rs. 2,50,000.
6	Remuneration for underwriting the subscription of any securities or derivatives thereof, of the Company	For amount exceeding 1% of Net Worth of the Company.

#### **5. DETERMINING “ORDINARY COURSE OF BUSINESS”**

“In the Ordinary Course of Business” means all such acts and transactions undertaken by the Company, including, but not limited to sale or purchase of goods, property or services, leases, transfers, providing of guarantees or collaterals, in the normal routine in managing trade or business and is permitted by the objects clause of the Memorandum of Association of the Company. The Company should take into

account the frequency of the activity and its continuity carried out in a normal organised manner for determining what is in the ordinary course of business.

## **6. ASCERTAINING “ARMS’ LENGTH” IN RELATED PARTY TRANSACTIONS:**

The expression “arms’ 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.

## **7. MANNER OF DEALING WITH RELATED PARTY TRANSACTION**

### **7.1 Identification of Related Parties**

The Company has formulated guidelines for identification and updation of related parties.

### **7.2 Identification of Related Party Transactions**

The Company has formulated guidelines for identifying RPTs under Section 188 and Regulation 2(1)(zc).

Management shall categorize transactions as:

- a) Material RPTs
- b) Other RPTs involving promoter/promoter group
- c) Residual RPTs

Industry Standards are not applicable for RPTs below ₹1 crore in a year.

## **7.3 PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTION**

### **7.3.1 Approval of Audit Committee**

Prior approval required for:

1. All RPTs and material modifications
2. Certain subsidiary transactions exceeding thresholds

Independent directors alone shall approve RPTs.

Audit Committee may grant omnibus approval subject to prescribed conditions including:

- maximum transaction value
- disclosures
- review mechanism
- repetitive nature
- justification etc.

Omnibus approval not permitted for:

- non-arm’s length transactions
- non-repetitive transactions
- transactions exceeding materiality thresholds
- disposal of undertaking
- financial transactions like loans/ICDs/guarantees etc.

Material modification defined as:

Variance of 20% of existing approved limit.

### 7.3.2 Approval of Board

Transactions not in the ordinary course or not at arm's length shall be placed before the Board.

Board approval is also required where:

- Audit Committee refers matter
- Board-determined thresholds crossed
- shareholder approval required

### 7.3.3 Approval of Shareholders

All material RPTs require shareholder approval.

No related party can vote to approve such resolution.

Exemptions include:

- IBC approved resolution plans
- transactions between wholly owned subsidiaries
- transactions involving listed subsidiaries meeting conditions.

## **8. DISCLOSURES**

- Board's Report disclosure for non-arm's length/non-ordinary course RPTs
- Information to Audit Committee and shareholders as per Industry Standards.
- Disclosure to stock exchanges within prescribed timelines.
- Simultaneous upload on website.

## **9. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

Audit Committee may ratify RPTs within 3 months or immediate next meeting, whichever earlier.

Failure to ratify renders transaction voidable at Audit Committee option.

## **10. REVIEW OF POLICY**

Policy shall be reviewed periodically and at least once in three years.

## **11. AMENDMENT**

If the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over this Policy until this Policy is changed to conform to the law, rule, regulation or standard.

*The Policy is reviewed and updated by the Board at its meeting dated 27.05.2026*