

SUBHKAM VENTURES (I) PRIVATE LIMITED

RELATED PARTY TRANSACTIONS (RPT) POLICY

Version	Approval	Version Description	Regulatory Reference
1.0	Board Meeting dated 16 th April, 2024	2024	Master Direction – Reserve Bank of India (Non- Banking Financial Company – Scale Based Regulation) Directions, 2023



SUBHKAM VENTURES (I) PRIVATE LIMITED

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SUBHKAM VENTURES (I) PRIVATE LIMITED

RELATED PARTY TRANSACTIONS (RPT) POLICY

Subhkam Ventures (I) Private Limited (**the “Company”**) is a Non- Banking Finance Company registered under the Section 45-IA of the Reserve Bank of India Act, 1934. The primary business of the Company is to invest/trade in the Shares, Securities, in listed entities and privately held entities along with a very small portfolio of landing. This policy is framed to comply with the RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as may be updated/amended/modified from time to time).

OBJECTIVE:

1. This Policy will ensure that related party transactions of the Company are carried out in a transparent manner i.e. in ordinary course of business and at arm's length basis as per the applicable provisions of Act (*as defined below*) and other applicable laws. This policy also aims at providing guidance in situations of potential conflict of interest and compliance matters relating to related party transactions.
2. This policy has been framed in order to comply with the requirements of RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as may be updated/amended/modified from time to time) on NBFC.
3. The Company has formed this policy on dealing with related party transactions.
4. This policy will guide the Company to effectively comply with the provisions of the Act, Indian Accounting standards, Income Tax Act and such applicable provisions of other statutes as may be put in place, in relation to related party transactions.
5. The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report.

REGULATORY FRAMEWORK

This Policy is framed in accordance with:

- RBI Scale Based Regulation (SBR) framework for NBFCs
- Companies Act, 2013 and the rules framed thereunder
- Indian Accounting Standard (Ind AS) 24 – Related Party Disclosures
- Any other guidelines, circulars, or instructions issued by RBI or other statutory authorities from time to time

APPLICABILITY

During the course of its business, the Company may enter into transactions with various entities. Some of the transactions are qualify to be 'Related Party Transactions' as per the Act, RBI Act and Regulations made thereunder, Indian Accounting Standards on Related Party Disclosures (IND AS 24), as notified by the Companies (Indian Accounting Standards) Rules, 2015 and amendment thereto. Such transactions are required to be disclosed in the annual reports or such other reports of the Company, as prescribed therein.

This policy shall be applied in:

1. Identifying related party transactions;

2. Ascertaining whether the transactions entered with the related parties are in 'ordinary course of business' and at 'arm's length basis';
3. Obtaining requisite approvals in relation to any Related Party Transaction(s);
4. Determining the disclosures / compliances to be adhered in relation to the Related Party Transaction(s).

DEFINITIONS

1.1 Related Party

“Related Party” shall have the meaning assigned under Section 2(76) of the Companies Act, 2013 and Ind AS 24, and shall include, inter alia:

Directors and Key Managerial Personnel of the Company
 Relatives of Directors and KMP
 Entities over which Directors, KMP, or their relatives exercise control or significant influence
 Group entities, associates, subsidiaries, or investment vehicles (where applicable)
 Any other person or entity deemed related under applicable laws or RBI regulations

“Ordinary Course of Business”

“Ordinary Course of Business” means a transaction which is carried out in the normal course of business envisaged in accordance with the Memorandum of Association (“MgA”) and the Articles of Association (“AA”) of the Company.

“Relative”

In terms of Section 2(77) of the Companies Act, 2013 read with the Companies (Specification of definitions details) Rules, 2014 a person is said to be a relative of another, if

- a) They are members of a Hindu undivided family;
- b) They are husband and wife;
- c) Father (including step-father);
- d) Mother (including step-mother);
- e) Son (including step-son);
- f) Son's wife;
- g) Daughter;
- h) Daughter's husband;
- i) Brother (including step-brother); or Sister (including step-sister).

Key management personnel

Key Managerial Personnel (“KMP” or “Key Managerial Personnel”) means:

- (a) the Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-Time Director;
- (b) the Company Secretary;
- (c) the Chief Financial Officer; and
- (d) any other person appointed as the KMP by the Board of the Company.

Any other term not defined herein shall have the same meaning as defined in the Act or Listing Regulations or RBI Regulations.

1.2 Related Party Transaction (RPT)

Related party transaction are the transactions defined under the Section 188 of the Companies Act, 2013 and Indian Accounting Standards on Related Party , as notified by the Companies (Indian Accounting Standards) Rules, 2015 and amendment thereto.

IDENTIFICATION OF RELATED PARTIES

- The Company shall maintain an updated **Register of Related Parties**

- Directors and KMP shall submit periodic disclosures of interests and changes therein

APPROVAL FRAMEWORK

1. Audit Committee Approval

- All RPTs shall require **prior approval of the Audit Committee**, in line with RBI Corporate Governance Directions
- The Audit Committee shall specifically evaluate:
 - Arm's length nature
 - Business rationale

2. Board Approval

- RPTs that are **material, not at arm's length, or not in the ordinary course of business** shall require prior approval of the Board
- Interested Directors shall abstain from discussion and voting

3. Shareholders' Approval

- Where required under the Companies Act, 2013, prior shareholders' approval shall be obtained

4. Prohibited Transactions

The Company shall not enter into any RPT which:

- Circumvents RBI prudential norms
- Results in evergreening of exposures
- Is intended to transfer value unfairly to related parties
- Is detrimental to the interests of the Company, its creditors, or stakeholders

5. Disclosure & Reporting

- All RPTs shall be disclosed in the financial statements in accordance with Ind AS 24
- The Audit Committee shall review RPTs at regular intervals
- Material RPTs shall be reported to the Board and disclosed to RBI, if required

6. Monitoring & Internal Control

- The Compliance Officer shall monitor adherence to this Policy
- Internal Audit shall periodically review RPTs as part of governance and risk audits
- Deviations, if any, shall be promptly escalated to the Audit Committee

7. Policy Review

The Board of Directors shall review the policy as and when required, in line with regulatory or internal policy changes.

8. Effective Date

This Policy shall be effective upon approval by the Board of Directors of the Company.

Date: 16/04/2024

Place: Mumbai

