



**CRISS FINANCIAL LIMITED**

**POLICY ON DETERMINATION OF RELATED PARTIES AND DEALING WITH RELATED PARTY TRANSACTIONS  
("RPT POLICY")**

### Version Control Sheet:

The Version Control Sheet is essential to keep track of all changes being made to the policy, providing transparency, traceability, and accountability.

Version Number	Amendment Date	Effective Date	Approved By
1.0	-	July 24, 2025	Board

### Preamble:

This policy is intended to ensure proper approval and reporting of transactions between the Criss Financial Limited (“**the Company**” or “**CFL**”) and its related parties. The Company may enter into transactions strategically with related parties to optimize scale, size and drive operational synergies while ensuring that such transactions are in compliance with the applicable legal requirements.

The Company affirms a high standard of governance practices operating in a fair and transparent manner with full compliance to prevailing laws. The Company is putting its best efforts consistently to enhance stakeholders’ long-term value without compromising the core philosophy, ethical principals and standard of governance practices.

### Applicability:

This Policy applies to all transactions or prospective transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions.

### Objective:

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time. It is essential to keep a stringent check on RPTs which may present a potential or actual conflict of interest and may act against the best interest of the Company and its shareholders.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

### Definitions:

“**Audit Committee**” or the “**Committee**” means the Committee of Board of Directors of the Company constituted under the provisions of Section 177 of the Companies Act, 2013;

The “**Board**” means Board of Directors of the Company;

“**Key Managerial Personnel**” means Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013;

“**Related Party Transactions**” means any Related Party transaction being contracts or arrangements with value (taken individually or together with previous transactions during the year) exceeding limits as prescribed in Rule 15(3) of The Companies (Meeting of Board and its Powers) Rules, 2014 read with Section 188 of the Act.

“**Related party**” means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013;

**“Related Party Transaction”** means any transaction with related parties and it also includes transactions as specified under clause (a) to (g) of sub-section (1) of Section 188 of the Act namely:

- 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;
- g) underwriting the subscription of any securities or derivatives thereof, of CFL.

However, the following transactions shall not be considered as RPT for the purpose of this policy:

- i. the issue of securities on a preferential basis, as amended from time to time;
- ii. Payment of remuneration to Directors and KMPs
- iii. the following corporate actions by the Company which are uniformly applicable/ offered to all its shareholders in proportion to their shareholding in the Company:
  - a. payment of dividend;
  - b. sub-division or consolidation of securities;
  - c. issuance of securities by way of a rights issue or a bonus issue; and
  - d. buy back of securities

**“Relative”** means relative as defined under sub-section (77) of section 2 of the Companies Act, 2013 and rules prescribed there under.

A **“transaction”** with a related party shall be construed to include a single transaction or a group of transactions in a contract;

Any other term not defined herein shall have the same meaning as defined in the Act and other applicable law(s).

**Policy:**

All proposed Related Party Transactions must be presented before the Committee for prior approval of the Committee, provided the committee may ratify any transaction within a period of three months from the date of entering into the transaction or contract.

**Omnibus Approval for Related Party Transactions on Annual Basis**

All related party transactions shall require approval of the Audit Committee, and the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant omnibus approval. Provided that rationale for granting omnibus approval and conditions as mentioned in the policy are compiled herewith as mentioned hereinbelow

(1) The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall include the following, namely: -

- (a) maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;

- (b) the maximum value per transaction which can be allowed;
  - (c) extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
  - (d) review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made;
  - (e) transactions which cannot be subject to the omnibus approval by the Audit Committee.
- (2) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely: -
- (a) repetitiveness of the transactions (in past or in future);
  - (b) justification for the need of omnibus approval.
- (3) The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the company.
- (4) The omnibus approval shall contain or indicate the following: -
- (a) name of the related parties;
  - (b) nature and duration of the transaction;
  - (c) maximum amount of transaction that can be entered into;
  - (d) the indicative base price or current contracted price and the formula for variation in the price, if any; and
  - (e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction:
- (5) Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.
- (6) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

**Identification of Related Parties and Interested Director with respect to transactions:**

Every Director will be responsible for providing a declaration in the format of **Form MBP – 1** as per section 184(1) & Rule 9(1) of Companies (Meetings of Board and its Powers) Rules, 2014 containing the following information to the Company Secretary or any other Authorized Person on an annual basis:

- (a) Names of his / her Relatives;
- (b) Partnership firms in which he / she or his / her Relative is a partner;
- (c) Private Companies in which he / she or his / her Relative is a member or Director;
- (d) Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital as at the end of immediate preceding financial year;
- (e) Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his / her advice, directions or instructions (other than advice, directions or instructions obtained from a person in professional capacity);

- (f) Persons on whose advice, directions or instructions, he / she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity); and
- (g) Body Corporate or any Association of Individuals in which he / she or his / her Relative is a Director or owner or Partner or Promoter or Manager or Chief Executive Officer of Body Corporate or Member of the Association of Individuals.

Every Key Managerial Personnel other than a director should also disclose details of their relatives within 30 days of joining the company or upon any change thereafter in the format as per Schedule I of this policy.

Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary or any other Authorized person of any changes in the above relationships, directorships, holdings, interests and / or controls immediately upon him / her becoming aware of such changes.

Every director of a Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—

- (a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
- (b) with a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall be deemed to be an “Interested director” and such director shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall abstain from participating in such meeting. Interested directors shall not be counted for the purpose of quorum for such item of business. It is therefore essential to ensure that where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Committee, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.

There may be instances where a director may not be concerned or interested at the time of entering into such contract or arrangement, but he/she may become concerned or interested after the contract or arrangement is entered into and thereby become an “interested director”. In such cases, the director shall disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

#### **Dealing with Related Party Transactions:**

All Related Party Transactions other than transactions between the Company and Holding company which are in the ordinary course of business and which are on arm’s length basis, shall require approval of the Board of Directors and/or the shareholders of the Company, as the case may be, as required under the Companies Act, 2013 and other applicable laws.

#### **Approval by the Audit Committee and factors for consideration by the Committee in approving the Proposed Related Party Transactions:**

Unless otherwise stated in this Policy, all Related Party Transactions, other than transactions between the Company and Holding company, which are in the ordinary course of business and on arm’s length basis, shall require prior approval of the Committee of the Company.

While considering any related party transaction, the Committee shall take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

Prior to the approval, the Committee may, inter-alia, consider the following factors to the extent relevant to the transaction:

- a. Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;
- b. Whether the transaction could be material or significant by value;
- c. The business reasons for the Company to enter into the Related Party Transaction and the nature of alternative options available, if any;
- d. Whether the Related Party Transaction includes any potential reputational risks or misuse of corporate assets that may arise as a result of or in connection with the proposed Transaction; and
- e. Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial interest or benefit to the Director, Key Managerial Personnel or other Related Party concerned, the direct or indirect nature of the Director's interest, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Committee deems relevant.
- f. While considering the arm's length nature of the transaction, the Committee may take into account the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party. The Committee may also take into consideration subsequent events (i.e., events after the initial transactions have commenced) like evolving business strategies / short term commercial decisions to improve / sustain market share, changing market dynamics, local competitive scenario, economic / regulatory conditions affecting the global / domestic industry, may impact profitability but may not have a bearing on the otherwise arm's length nature of the transaction.

The Committee may grant omnibus approval to Related Party Transactions that are:

- a. repetitive in nature; and
- b. entered in the ordinary course of business and on arm's length basis.

Such omnibus approval may be granted to the transactions which, in addition to meeting the above criteria, also satisfy the following considerations:

- a. The transaction in question is necessary to be executed as it is in the business interest of the Company;
- b. The requisite information is presented to the Committee's course of business and on arm's length basis;
- c. Such omnibus approval shall specify –
  - a. Name of the related party;
  - b. Nature of the transaction;
  - c. Period of the transaction;
  - d. Maximum amount of the transactions that can be entered into;
  - e. Indicative base price / current contracted price and formula for variation in price, if any;
  - f. Justification for the omnibus approval; and
  - g. such other conditions as the Committee may deem fit.

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

- d. Such omnibus approval shall be valid for a period not exceeding one financial year and shall require a fresh approval after the expiry of one year.

Such transactions will be deemed to be pre-approved and may not require any further approval of the Committee for each specific transaction for the specific period approved.

The Management while seeking approval/ratification from the Committee for any related party transaction, shall place before the Committee, the minimum information as may be prescribed, including industry standards on RPTs as

announced and amended from time to time.

The audit committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the listed entity or its Holding company pursuant to each of the omnibus approvals granted by the Committee.

**Approval by the Board:**

If the Committee determines that a Related Party Transaction should be brought before the Board or a Related Party Transaction is not in the Ordinary Course of Business or not at Arms' Length or is a material related party transaction or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve such Related Party Transaction.

The Management while seeking approval/ratification from the Board for any related party transaction, shall place before the Board, the minimum information as may be prescribed, including industry standards on RPTs as announced and amended from time to time.

**Approval by Shareholder's:**

Except with the prior approval of the Shareholders by a resolution, Company shall not enter into any Related Party Transaction as mandated under Section 188 of Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and/or material related party transactions.

The Management while seeking approval from the Shareholders for any related party transaction, shall place before the shareholders, the minimum information as may be prescribed, including industry standards on RPTs as announced and amended from time to time.

**Ratification of the Related Party Transactions:**

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

Where the Company enters into any related party transaction without prior approval, the Company may ratify such transaction as promptly as reasonably practical or after it becomes reasonably apparent that the transaction is covered by this policy and the same is permissible under the Companies Act 2013 and other applicable laws.

**Related Party Transactions not approved under this Policy:**

In the event the Management of the Company becomes aware of any Related Party Transaction that has not been approved under this policy, the matter shall be reviewed by the Committee. The Committee may consider all of the relevant facts and circumstances regarding the Related Party Transactions and may evaluate all the options available with the Company.

The Committee may also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and may take any such action it deems appropriate including ratification of such Related Party Transaction.

**Disclosure, Recording and Reporting of Related Party Transactions:**

- a. Company shall disclose each year in the Audited Financial Statements, transactions with Related Parties as prescribed in the applicable Accounting Standard as well as accounting policies governing transactions with Related Parties.
- b. Disclosure in the Board's Report to the shareholders shall be made as prescribed under the Companies Act, 2013.
- c. Any other disclosures as may be prescribed.

**Related Party Transactions that shall not require approval:**

Notwithstanding the foregoing, but subject to the provisions of the applicable laws from time to time, this policy shall not apply to the following Related Party Transactions and shall not require approval of the Committee or Shareholders:

- a. Transactions entered into between the Company and its Holding company and placed before the shareholders at the general meeting for approval;
- b. Remuneration and sitting fees paid by the Company or its Holding company to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, provided that the same is not material.
- c. Any other transaction as may be prescribed in the Companies Act 2023 and other applicable laws.

**Dissemination of Policy:**

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational heads and other concerned persons of the Company and shall be hosted on the website of the Company and web link thereto shall be provided in the annual report of the Company.

**Policy Review:**

This Policy shall be subject to review from time to time as may be deemed necessary by the Board/Audit Committee and in accordance with regulatory amendments from time to time.

In the event of any conflict between the provisions of this policy and of the applicable law dealing with the related party transactions, such applicable law in force from time to time shall prevail over this policy.

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Schedule I

LIST OF RELATIVES

Sr. No.	Relationship	Full Name	Occupation of Relative	PAN Number / other identifications	Entities in which the relative is a self-proprietor / partner or Member / Director of a Pvt. Company	Entities in which the Director together with his relative(s) holds more than 2% of the paid-up share capital of a public limited company of which the director is also a director
1	Spouse					
2	Father (including Step-Father)					
3	Mother (including Step-Mother)					

4	Son (including Step-son)					
5	Son's Wife					
6	Daughter					
7	Daughter's Husband					
8	Brother (Including Step-Brother)					
9	Sister (Including Step-Sister)					
10	Members of HUF					