

NICCO UCO ALLIANCE CREDIT LIMITED

POLICY ON RELATED PARTY

POLICY ON RELATED PARTY TRANSACTION

[Pursuant to Companies Act, 2013 and Rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Background

Nicco Uco Alliance Credit Limited (“the Company”) is governed, amongst others, by the Companies Act, 2013 and the rules framed thereunder, as amended (“Act”), and regulations framed by Securities and Exchange Board of India (“SEBI”). The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) has mandated every listed company to formulate a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions (“the Policy”).

Accordingly, the Company has formulated this Policy. This Policy regulates all transactions between the Company and its Related Parties. This amended policy effective from 11th November, 2024.

2. Definitions

- a) **“Applicable Law”** includes (a) the Act and rules made thereunder, as amended from time to time; (b) the SEBI LODR, as amended from time to time; (c) Indian Accounting Standards; and (d) any other statute, law, standards, regulations or other governmental circulars, notifications or instructions (including circulars, notifications and guidance issued by the Securities and Exchange Board of India from time to time) relating to Related Party Transactions as may be applicable to the Company.
- b) **“Arm’s length transaction”** means a transaction between two Related Parties that is conducted as if they are unrelated, so that there is no conflict of interest.
- c) **“Related Party”** means a person or an entity defined as related party under the Act or SEBI LODR.
- d) **“Related Party Transaction or RPT”** means a transaction defined as a related party transaction under the Act or SEBI LODR.
- e) **“Relative”** is any person as defined under Section 2(77) of the Act and rules prescribed thereunder.

The words and expressions used but not defined in this Policy, shall have the same meaning as defined in the Companies Act, 2013, SEBI Listing Regulations or any other applicable law or regulation, as amended from time to time.

3. Identification of Related Parties and the Related Party Transaction

Every promoter, director and key managerial personnel (KMP) of the Company and its subsidiaries/ Joint venture shall:

- a. at the time of appointment;
- b. periodically – as required by the Company or applicable law
- c. whenever there is any change in the information already submitted,

provide requisite information about his / her Relatives and all firms, companies, body corporates, or other association of individuals, in which such promoter, director or KMP is interested, whether directly or indirectly, to the Company or the subsidiary/ Joint venture (as the case may be). Every such promoter, director and KMP shall also provide any additional information about the transaction that the Board /Audit Committee may reasonably request.

4. Review and approval of Related Party Transactions

Approval of Related Party Transactions:

A. Audit Committee

- i. All the transactions which are identified as Related Party Transactions and subsequent modifications thereof shall be approved by the Audit Committee in the manner specified

under the Listing Regulations. The Audit Committee shall consider all relevant factors while deliberating the Related Party Transactions for its approval.

- ii. Any member of the Audit Committee who has a potential interest in any Related Party Transaction shall recuse himself and abstain from discussion and voting on the approval of the Related Party transaction. A Related Party Transaction which is (i) not in the ordinary course of business, or (ii) not at arm's length basis, would require approval of the Board or of shareholders, as detailed in subsequent paragraphs.
- iii. The Audit Committee may grant omnibus approval for Related Party Transactions which are repetitive in nature and subject to such criteria / conditions as mentioned under the Act and the Listing Regulations and such other conditions as it may consider necessary in line with this Policy and in the interest of the Company.
- iv. The Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions and Material modifications thereof, entered into by the Company pursuant to the omnibus approval. Certain procedural aspects concerning review of a Related Party Transaction may be modified or waived by the Committee, at its discretion.
- v. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.
- vi. A Related Party Transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Audit Committee, will be placed before the Audit Committee for consideration, and ratification, if appropriate.
- vii. The Audit Committee shall also pre-approve Related Party Transactions, where the Company is not a party, but the Company's subsidiary is a party, if the value of such transaction crosses the thresholds as prescribed under the Listing Regulations.

B. Board of Directors

In case any Related Party Transactions are referred by the Company to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length basis, the Board will inter alia consider factors such as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction and any other information the Board may deem important/relevant for taking decision on a proposed transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

C. Shareholders

- i. If a Related Party Transaction is (i) a material transaction as per Regulation 23 of the Listing Regulations, or (ii) not in the ordinary course of business, or not at arm's length basis and exceeds certain thresholds prescribed under the Act, then such Related Party Transaction and any subsequent Material modification thereto, shall require shareholders' approval by a resolution. In such case, any member of the Company who is a Related Party, irrespective of being related to the said transaction or not, shall not vote on resolution passed for approving such Related Party Transaction.
- ii. The provisions of Regulation 23(2), (3) and (4) of the Listing Regulations shall not be applicable in case of transactions entered into between a holding company and its wholly owned subsidiary and between two wholly-owned subsidiaries, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- iii. In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the Company would seek post facto approval from the Audit Committee, the Board and/or shareholders as required under applicable laws/ regulations.

Reporting of Related Party Transaction

- i. Every contract or arrangement, which is required to be approved by the Board or the shareholders under this Policy, shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.
- ii. The details of all transactions with Related Parties shall be submitted, in the prescribed format to the stock exchanges, and requisite disclosures shall be made in other public documents/certificates as legally required, in the manner and as per the timelines set out in the Listing Regulations and the same shall be published on the Company's website.

5. Limitation, Review and Amendment

In the event of any conflict between the provisions of this Policy and of the Act or the Listing Regulations or any other legal requirement ("Applicable Law"), the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy.

The Board may review this Policy periodically (and at least once every three years) and make amendments from time to time, as may be deemed necessary (including based on recommendation(s) of the Audit Committee).

6. Disclosure of the Policy

This Policy will be uploaded on the website of the Company and a web link thereto shall be provided in the annual report.