JSW INVESTMENTS PRIVATE LIMITED

RELATED PARTY TRANSACTION POLICY

Document Control Sheet	
Document Name	Related Party Transaction Policy
Name of Company	JSW Investments Private Limited
Policy Authorization by	Board of Directors
Review of the policy	As and when required (at least once in 3 years)
Board Approval Date	March 24, 2026
Version	V1

1) This policy may be known as "JIPL –Related Party Transaction Policy" hereinafter referred to as the "Related Party Transaction Policy".

2) This Related Party Transaction Policy has been made pursuant to RBI (Core Investment Companies) Directions, 2025 dated November 28, 2025 as amended from time to time.

3) The Board of Directors has approved and adopted this 'Related Party Transaction Policy' on March 24, 2026.

4) **<u>Company's Profile</u>**

JSW Investments Private Limited ("JIPL/Company") is a Core Investment Company (CIC) registered with the Reserve Bank of India (RBI). In accordance with the RBI (Core Investment Companies) Directions, 2025 dated November 28, 2025 (as amended) (hereinafter referred to as "the RBI Directions") the Board of Directors of JIPL is required to frame, approve, and implement a policy on Related Party Transactions to ensure transparency, arm's length pricing, and effective governance.

5) **<u>Objectives</u>**

This policy will guide the Company to effectively comply with the provisions of the Companies Act, 2013, Indian Accounting standards, Income Tax Act and any other laws, rules or act as applicable.

This Policy will ensure that related party transactions of the Company are carried out in a transparent manner i.e., in the ordinary course of business and on an arm's length basis as per the legal provisions.

This policy also aims at providing guidance in situations of potential conflict of interest and compliance with matters relating to related party transactions.

6) **<u>Definitions</u>**

For the purpose of this Investment Policy –

a) "Act" means the Companies Act, 2013 and rules, as amended from time to time, made thereunder;

b) "Arm's Length Transaction" means the Explanation (b) to Section 188(1) of the Act defines an "*arm's length transaction*" to mean *a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest*;

c) "Associate Company" means in terms of Section 2(6) of the Companies Act, 2013 "Associate Company" in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

   For the purposes of this term 'Associate Company', "significant influence" means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement.

d) "Audit Committee" means the committee of Board of Directors, the Company constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Rules made thereunder.

e) “Board of Directors” means the Board of Directors of JSW Investments Private Limited.

f) “Body corporate” means a body corporate as defined under Section 2(11) of the Companies Act, 2013;

g) “Company” or “JIPL” means JSW Investments Private Limited;

h) “Companies Act” means the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the time being in force.

i) “Control” means it shall include the right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

j) 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 RBI Regulations.

k) “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 (“MoA”) and the Articles of Association (“AoA”) of the Company.

l) “Realted party” means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards

m) “Realted party transaction” means transactions as defined under the Section 188 of the Companies Act, 2013 or Accounting Standards, as applicable

n) “Relative” means 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

   i) they are members of a Hindu Undivided Family;
   ii) — they are Husband and Spouse; or Wife and Spouse;
   iii) — one person is related to the other in such manner as may be prescribed i.e.;
      (1) Father, includes the step-father;
      (2) Mother, includes the step-mother;
      (3) Son, includes the step son; Son’s Spouse;
      (4) Daughter; Daughter’s Spouse;
      (5) Brother, includes the step-brother; and
      (6) Sister, includes the step-sister.

Other terms not defined hereinabove shall have same meaning as defined in RBI (Core Investment Companies) Directions, 2025 dated November 28, 2025 and as amended from time to time.

7) <u>Terms of Policy:</u>

All Related Party Transactions under Section 188 of the Companies Act shall require approval of the Audit Committee and Board of Directors unless specifically exempted (e.g., transactions on arm's length terms in ordinary course, or between holding and wholly-owned subsidiary).

Audit Committee approval is not mandatory for private companies unless voluntarily constituted. Only Independent Directors (if present) shall participate in Related Party Transactions discussions to ensure impartiality. All RPTs exceeding Section 188 thresholds shall additionally require prior shareholder approval by ordinary resolution.

8) Role of Board of Directors and Audit Committee:

The Board of Directors of JIPL shall approve this Related Party Transaction Policy and any amendments thereto. The Board shall provide overall direction, approval for all Related Party Transactions under Section 188 of the Companies Act and monitor the Related Party Transactions.

Where an Audit Committee is constituted as a best practice, it shall approve and review Related Party Transactions to assess whether they are conducted at arm's length and in the ordinary course of business.

9) Identification of Related Party Transactions:

Related Party Transactions are required to undergo a detailed analysis before arriving at a conclusion as to its impact as well as the course of action with regard to the approval requirements from the concerned bodies.

The Related Party list shall be updated periodically and shall be reviewed at least once a year, based on the annual disclosures received, if any

10) Ascertaining whether Related Party Transactions are on an Arm's Length Basis:

The tests for ascertaining arm's length relationship in case of contracts /arrangements that may be entered into by JIPL with its Related Parties could be on the following lines -

a. The contracts/ arrangements have been commercially negotiated.

b. The pricing is arrived at as per the guidelines that may be issued by the Ministry of Corporate Affairs, Government of India/ Income Tax Act, 1961 (as amended from time to time), as applicable to any of the contract/ arrangements contemplated under the Act.

c. The payments to group companies are made in the manner and at such rates prevalent in the market for similar category of goods and services and similar category/ profile of customers.

d. The Interest rate is compared with prevailing market lending rate.

e. Such other criteria as may be issued under IND AS 24 on Related Party Disclosures or by any other statutory/ regulatory authority.

11) Ascertaining whether Related Party Transactions are in the Ordinary Course of Business of JSW Investments Private Limited

a. In order to decide whether or not a contract or arrangement is being entered by the Company is in its ordinary course of business, the Company shall consider whether such contract/ arrangement is germane to attainment of the main objects as set out in its MoA of the Company or such other activities as may be permitted, from time to time by Reserve Bank of India, the sectoral regulator of the Company.

b. The Company shall also consider whether the transaction contemplated under the proposed contract or arrangement is either similar to contracts or arrangements which have been undertaken in the past, or, in the event that such transaction is being undertaken for the first time, whether the Company intends to carry out similar transactions in the future.

c. Further, whether the transaction value is within the reasonable range for similar types of other transactions, will also be an important consideration. An exceptionally large value transaction should invite closer scrutiny.

d. Guidelines to determine whether the Transactions is in ordinary course or not is set out in Annexure A.

e. These are not exhaustive criteria and the Company will have to assess each transaction considering its specific nature and circumstances. In case of any confusion, final decision will be taken by the Board of Directors.

12) <u>Approval of the Board/Members</u>

Approval of the Board and/or members shall be obtained for all Related Party Transactions, in accordance with Section 188(1) of the Companies Act except in the following cases:

1. Transactions entered into by the Company in the ordinary course of business, on an arm’s length basis, and below the threshold limits specified under Section 188 of the Companies Act and the applicable Rules; or

2. Transactions between a holding company and its wholly owned subsidiary, where the subsidiary’s accounts are consolidated with the holding company and placed before the shareholders for approval at the general meeting.

While granting approval for Related Party Transactions under this policy, the total exposure to a particular related party with respect to loans borrowed or disbursed shall be considered net of any repayments made or to be made. This ensures that transactions are not double-counted for aggregation of limits due to repetitive withdrawals before repayment, partial settlements, or repayments made in the ordinary course of business.

13) <u>DISSEMINATION OF INFORMATION BY JSW INVESTMENTS PRIVATE LIMITED (‘the Company’)</u>

The Company shall disclose this Policy wherever it is required by the applicable laws.

14) <u>Compliance:</u>

Every person associated with Related Party Transaction shall be accountable for complying with this Related Party Transaction Policy that may be in force from time to time.

A person shall not be eligible for appointment as a Director of a company if he has been convicted of the offence under Section 188 of the Act in respect of Related Party Transaction at any time during the preceding five years.

15) E<u>xceptions to the Policy</u>

Any exception to this Policy shall require prior approval of the Audit Committee of the Company.

Annexure A

Guidelines to determine whether the transaction is in the ordinary course of business and on an arm's length basis

Determination of transaction as "Ordinary Course of Business"

The Company will be relying on the following as guiding factors to assess whether an activity that is carried on by the business is in the *ordinary course of business* or not:

a. Whether the activity is covered in the object's clause of the Memorandum of Association
b. Whether the activity is in furtherance of the business
c. Whether the activity is normal or otherwise routine for the particular business (i.e. activities like advertising, staff training, etc.)
d. Whether the activity is repetitive/frequent
e. Whether the income, if any, earned from such activity/transaction is treated as business income in the company's books of account
f. Whether the transactions are common in the particular industry
g. Whether there is any historical practice to conduct such activities
h. The financial scale of the activity with regard to the operations of the business
i. Revenue generated by the activity
j. Resources committed to the activity

The above factors are intended to serve as guiding principles only and shall be applied subject to, and in accordance with, applicable laws, rules, and regulations.