

**Materiality of and Dealing with the Related Party Transaction**  
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**(amended and adopted on December 31, 2025)**





## **MATERIALITY OF AND DEALING WITH THE RELATED PARTY TRANSACTION**

### **REVISION HISTORY**

VERSION	REVISION DATE	APPROVED BY	DESCRIPTION OF CHANGE
1.0	-	Board of Directors	Original Policy.
1.1	10/04/2025	Board of Directors	Amendment in line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024.
1.2	31/12/2025	Board of Directors	Amendment in line with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025



## MATERIALITY OF AND DEALING WITH THE RELATED PARTY TRANSACTION

### 1. Preamble:

The Board of Directors (“the Board”) of Asian Warehousing Limited (the “Company”), has adopted the following policy and procedures regarding Related Party Transactions. This policy outlines the procedures that must be followed by the Company to ensure compliance with applicable laws and regulations governing Related Party Transactions. This policy is applicable to Asian Warehousing Limited and is intended to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations.

### 2. Purpose:

This policy has been framed to comply with Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modifications, amendments, or re-enactments thereof) and in terms of Section 188 of the Companies Act, 2013, along with the relevant Rules framed thereunder (including any modifications, amendments, or re-enactments thereof). The policy ensures the proper approval, disclosure, and reporting of transactions between the Company and its Related Parties.

Related Party Transactions are deemed appropriate only if they serve the best interests of the Company and its shareholders. The Company is required to disclose such transactions annually in the Financial Statements and the Annual Report, as well as to maintain policies concerning transactions with Related Parties.

To ensure compliance with the aforementioned requirements under the Companies Act, 2013, and the SEBI LODR Regulations (including any modifications, amendments, or re-enactments thereof), the Board of Directors of the Company, acting upon the recommendations of the Audit Committee, has approved and adopted the policy and procedures related to Related Party Transactions.

This policy primarily considers the provisions of the Companies Act, 2013, SEBI LODR Regulations, and relevant Indian Accounting Standards (IND AS). It supplements the Company’s other policies, practices, and delegation of authorities, ensuring that contracts or arrangements are approved in the specified manner and by the specified authority.

### 3. Definitions:

**1. Audit Committee or Committee:** Refers to the Committee of the Board of Directors of the Company, constituted under Section 177 of the Companies Act, 2013, and Regulation 18 of the SEBI LODR Regulations, 2015, for audit-related purposes.

**2. Board:** Refers to the Board of Directors of the Company.

**3. Companies Act, 2013:** Refers to the Companies Act, 2013, including the Rules framed thereunder and any modifications, amendments, or re-enactments thereof.

**4. SEBI LODR Regulations, 2015:** Refers to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments, modifications, clarifications, or re-enactments thereof, as may be applicable from time to time.

**5. Related Party Transaction:** Refers to the transfer of resources, services, or obligations between:

- The Company or any of its subsidiaries, and a Related Party of the Company or any of its subsidiaries.
- The Company or any of its subsidiaries, and any other person or entity, where the purpose and effect are to benefit a Related Party of the Company or any of its subsidiaries, regardless of whether a price is charged.

A "transaction" includes a single transaction or a group of transactions in a contract, except for certain actions like the issue of specified securities on a preferential basis and uniformly applicable corporate actions.

**6. Material Related Party Transaction:** 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 thresholds specified in Schedule XII of SEBI LODR Regulations, 2015.

**7. Related Party:** As defined under Section 2(76) of the Companies Act, 2013, Regulation 2(1)(zb) of the SEBI LODR Regulations, 2015, and relevant accounting standards. This includes, but is not limited to:

- A director or his/her relative.
- A key managerial personnel or his/her relative.
- Entities in which a director, manager, or relative is involved, or which are under the control of such persons.
- Entities holding a significant shareholding in the Company.

**8. Relative:** As defined under Section 2(77) of the Companies Act, 2013, including members of a Hindu Undivided Family, husband and wife, and other specified familial relations.

**9. Key Managerial Personnel:** As defined under Section 2(51) of the Companies Act, 2013, including the CEO, managing director, company secretary, whole-time director, CFO, and other officers designated as key managerial personnel by the Board.

**10. Control:** Defined in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

**11. Associate Company:** A company in which another company has significant influence, but which is not a subsidiary of that company. "Significant influence" implies control of at least 20% of voting power or participation in business decisions.

**12. Material modification:** It means any modification made in the value of any ongoing or proposed Related Party Transaction, as originally approved by the Audit Committee and/or shareholders, which has the effect of variation in the approved value of the transaction, by 25% or more or by which the transaction ceases to be in ordinary course and/or on arm's length basis or such other parameter as may be determined by the Audit Committee from time to time.

**13. Materiality Threshold:** A transaction with a related party shall be considered material only if the transactions(s) exceed the prescribed limit as defined under sub-regulation (1) and (1A) of regulation 23 of the Listing Regulations. Any other threshold limits / amendment to the aforementioned threshold limits as may be prescribed under the Listing Regulations or Companies Act, 2013 from time to time shall be applicable.

**14. RPT Industry Standards:** It refers to Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction formulated by Industry Standards Forum ("ISF") comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, in consultation with SEBI.

Any other term not defined herein shall have the same meaning as defined in the Act, the SEBI Listing Regulations or any other applicable law or regulation, each as amended.

#### 4. Policy and Procedure:

##### Policy:

All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this policy. Any Material Related Party Transactions and subsequent material modifications require prior approval from the shareholders through a resolution, with no voting allowed from Related Parties. In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre -approval/ omnibus approval. In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Committee may ratify the transactions in accordance with this Policy.

##### Procedure:

##### Disclosure by Directors:

Every Director must annually provide written notice to the Company regarding any potential conflicts of interest with Related Parties. Changes in related party relationships must be reported promptly.

##### Identification of Transactions with Related Parties:

Directors and Key Managerial Personnel are responsible for notifying the Company or the Audit Committee of any potential Related Party Transactions. The Audit Committee will determine whether a transaction qualifies as a Related Party Transaction requiring compliance with this policy.

##### Determination of Material Transactions:

Regulation 23 of the SEBI LODR Regulations requires the Company to provide materiality thresholds for transactions beyond which prior approval of the shareholders' will be required by way of a resolution.

The Company has fixed its materiality thresholds at the level prescribed under proviso to Regulation 23(1) read with Schedule XII of the SEBI LODR Regulations as under:

1. In case of transaction involving payments made to a Related Party with respect to brand usage or royalty, if it exceeds five percent (5%) of the annual consolidated turnover of the Company as per its last audited financial statements.

2. In case of any other transaction, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the following thresholds as specified in Schedule XII of SEBI LODR Regulations:

Consolidated Turnover of Company	Threshold
(I) Up to ₹20,000 crores	10% of the annual consolidated turnover of the Company
(II) More than ₹20,000 crores to up to ₹40,000 crores	₹2,000 crores + 5% of the annual consolidated turnover of the Company above ₹20,000 crores
(III) More than ₹40,000 crores	₹3,000 Crore + 2.5% of the annual consolidated turnover of the Company above ₹40,000 crores or ₹ 5000 crores, whichever is lower.

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

The aforesaid limits shall also be applicable to the related party transactions to which the subsidiary of a listed entity is a party, but the listed entity is not a party, as per the last audited financial statements of the subsidiary.

Further, Regulation 23 of the SEBI LODR Regulations provides that any subsequent material modifications to the terms of such transactions, as defined by the Audit Committee, shall also require shareholders' prior approval will be required by way of a resolution.

### **Review and Approval of Related Party Transactions:**

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#### **Audit Committee:**

Related Party Transactions are reviewed by the Audit Committee, considering factors such as fairness, business rationale, and potential conflicts of interest. The Committee may grant omnibus approval for repetitive transactions, subject to specified conditions as mentioned under SEBI LODR Regulations.

All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the listed entity. Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.

The Management shall provide the Audit Committee with the "Minimum information" as per RPT Industry Standards while placing any proposal for review and approval of an RPT.

#### **Board of Directors:**

The Board reviews Related Party Transactions if required by law or deemed necessary by the Committee. Directors with potential conflicts of interest must abstain from discussions and voting.

#### **Shareholder Approval:**

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.

Further, the information as prescribed under the Companies Act, 2013 and/or the SEBI LODR, and/or in the RPT industry standard from time to time shall be provided in the Notice to the shareholders for consideration of Related Party Transactions.

#### **Transactions Not Requiring Approval:**

Certain transactions, such as compensation for Key Managerial Personnel or transactions where the Related Party's interest arises solely from ownership of securities, do not require Audit Committee approval.

Remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.

**Disclosure:**

The Company shall submit within the time allowed under SEBI LODR Regulations, disclosures of related party transactions in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

**Governance and Amendment of the Policy:**

The Board of Directors may amend this policy at any time. Any subsequent amendment / modification in the Act or the SEBI Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

**Communication of the Policy:**

This policy will be posted on the Company's website.

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