

CROISSANCE LIMITED

POLICY ON RELATED PARTY TRANSACTIONS, MATERIALITY OF RELATED PARTY TRANSACTIONS AND DEALING WITH RELATED PARTY TRANSACTIONS

(Amended on May 26, 2026)

Title:

This policy shall be called as '*Policy on Related Party Transactions, Materiality of Related Party Transactions and Dealing with Related Party Transactions*'.

Scope:

The policy will cover Related Party Transactions, Materiality of Related Party Transactions, Dealing with Related Party Transactions & Determination of Material Subsidiaries.

Effective Date:

The policy shall be effective from the date of adoption by the Board of Directors / Audit Committee of the Board of Directors of the Company.

Background:

This Policy is framed in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), applicable provisions of Companies Act, 2013, and is intended to govern related party transactions and for laying down a criterion for determining "Material Subsidiaries" and their governance.

Definitions

"Act" means the Companies Act, 2013 including the Rules framed thereunder.

"Audit Committee or Committee" means the Committee of the Board constituted from time to time under Listing Regulations and the Act.

"Board or Board of Directors" means the Board of Directors as defined under the Act.

"Company" means Croissance Limited (Croissance).

"Key Managerial Personnel" means Key Managerial Personnel as defined under the Companies Act, 2013 and includes Managing Director, Manager, Chief Executive Officer, Chief Financial Officer and Company Secretary.

"Material Modification" means any modification to the previously approved Related Party Transaction which shall result in a variance on overall transaction value by 10%/ or more.

"Material Related Party Transaction" means a Related Party Transaction which individually

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or taken together with previous transactions during the financial year, exceeds Rs. 1000 crores or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, or such limits as may be prescribed either in the Act or Listing Regulations, from time to time.

However, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

“Net Worth” means net worth as defined under Section 2(57) of the Companies Act, 2013.

“Related Party” means as defined under the Act and the Listing Regulations, as amended from time to time.

“Related Party Transaction” means a transaction defined as a related party transaction under the Act or Listing Regulations as amended from time to time.

“Subsidiary Company or Subsidiary” means a subsidiary company as defined under 2(87) of the Companies Act, 2013.

“Turnover” means turnover as defined under Section 2(91) of the Companies Act, 2013.

The words and expressions used in this Policy unless defined hereunder shall have the meaning assigned to them respectively in the Companies Act, 2013 and rules made thereunder, Listing Regulations, SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956 or the SEBI (Issue of capital and disclosure requirements) Regulations or any statutory modification or re-enactment thereof, as the case may be.

Policy

1. Related Party Transactions

a. Identification of Related Party

In terms of the applicable provisions of the Act and Listing Regulations, all the Directors and KMPs are responsible for providing written notice to the Company informing their concern & interest in the other entities, from time to time.

On the basis of criteria prescribed under the applicable laws and as per the aforesaid declaration(s)/ disclosure(s)/ notice(s) received from the Directors and KMPs, the list of related parties of the Company and of its subsidiary companies are compiled and updated from time to time.

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b. Approval of Audit Committee

All Related Party Transactions between the Company and its Related Parties, and any modifications therein, shall require prior approval of the Audit Committee, unless exempted under the Act or Listing Regulations. The Audit Committee shall consider all relevant factors before granting its approval to the proposed transaction.

The Audit Committee shall also approve Related Party Transactions, where the Company is not a party, but the Company's subsidiary is a party, if the value of the proposed transaction(s) exceeds the thresholds as prescribed under the Listing Regulations.

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiary subject to the following conditions:

- A) The transactions which are repetitive in nature.
- B) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.
- C) Such omnibus approval shall specify (i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price/ current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;
- D) If 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 Rs.1 Crore per transaction.
- E) Audit Committee shall review, atleast on a quarterly basis, the details of RPTs entered into by the Company or its subsidiary pursuant to each of the omnibus approval given.
- F) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

Only those members of the Audit Committee who are Independent Directors, will approve Related Party Transactions. Any member of the Audit Committee having a potential interest in the proposed RPT, will recuse himself and abstain from discussion and voting on the proposal for approval of the said transaction.

c. Approval of Board of Directors

Following Related Party Transactions shall require prior approval of the Board of

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Directors of the Company:

- (i) Transactions in which the promoters, promoter group, directors, and KMPs of the Company are concerned or interested.
- (ii) Transactions specified in Section 188(1) of the Act which are not in the ordinary course of business and/or not on arm's length terms.
- (iii) Transactions where Audit Committee of the Company is of the opinion that the same should be brought before the Board or if the Board suo-moto decides to review any such transaction.
- (iv) Transactions for which approval of the Board is mandatory under any applicable law for time being in force.

Where Related Party Transactions require approval of the Board, any director who is interested in any contract or arrangement with a related party, shall not be present at the meeting during discussions on the subject-matter of the resolution relating to such contract or arrangement.

d. Approval of Shareholders

The following RPTs and subsequent Material Modifications thereto, shall be subject to prior approval of Shareholders of the Company, by way of a resolution, unless exempted under the Act or Listing Regulations:

- (i) All Material Related Party Transactions; and
- (ii) Related Party Transactions which require approval of the shareholders, as per provisions of the Act and the rules made thereunder.

No related party shall vote to approve such a resolution, irrespective of whether the entity is a related party to the particular transaction or not.

Where Members' approval is required for a related party transaction, the explanatory statement to be annexed to the notice of such general meeting, shall disclose all such details/ information about the contract as are prescribed under the Listing Regulations, SEBI Circular, and the Act and rules made thereunder.

e. Ratification of Related Party Transaction(s) by the Audit Committee

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 related party transaction;
- (iii) rationale for inability to seek prior approval for the transaction shall be

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- 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 to the Stock Exchanges.
- (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 authorized by any other director, the director(s) concerned shall indemnify the Company against any loss incurred by it.

Amendment

The Policy shall be reviewed by the Audit Committee once in every three year and be amended accordingly.

Disclosures

This Policy shall be disclosed on the website of the Company and a web link thereto shall be provided in the Annual Report of the Company.

Interpretation

In the event of a conflict between the terms of the Policy and any rule, regulation or standards, the provisions of such rule, regulation or standards shall prevail over this Policy, to the extent of such inconsistency.
