AZAD INDIA MOBILITY LIMITED

(Formerly known as Indian Bright Steel Company Limited)
CIN: L29100MH1960PLC011794 | BSE Scrip Code: 504731 | ISIN: INE566M01025
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POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS

[Pursuant to Regulation 23(1) and Regulation 46(2)(g) of the SEBI (LODR) Regulations, 2015 and Section 188 of the Companies Act, 2013]

1. Objective

This Policy has been framed by Azad India Mobility Limited ('the Company') in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 to regulate transactions between the Company and its Related Parties based on principles of arm's length pricing, transparency, and proper governance approval.

2. Threshold Limits for Material Related Party Transactions

- **Material Related Party Transaction:** A transaction with 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 Rs. 1,000 Crore (Rupees One Thousand Crore) or 10% (ten percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.
- **Brand Usage or Royalty:** Notwithstanding the above, 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 5% (five percent) of the annual consolidated turnover of the Company as per the last audited financial statements.
- **Material Modification:** Any subsequent modification to an existing approved Related Party Transaction shall be deemed a 'Material Modification' if it results in a variance of 20% (twenty percent) or more in the approved transaction value/pricing terms, or significantly alters the credit period, security, or risk profile to the detriment of the Company.

3. Identification and Review / Approval Mechanism

- **Audit Committee Approval:** All Related Party Transactions and subsequent material modifications shall require prior approval of the Audit Committee of the Company. Only those members of the Audit Committee who are Independent Directors shall approve Related Party Transactions.
- **Omnibus Approval:** The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company which are repetitive in nature, subject to compliance with the conditions specified in Regulation 23(3) of the SEBI (LODR) Regulations, 2015 and Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014. Such omnibus approvals shall be valid for a period not exceeding one financial year.
- **Board Approval:** All Related Party Transactions which are not in the ordinary course of business or not on an arm's length basis shall also require prior approval of the Board of Directors under Section 188 of the Companies Act, 2013.
- **Shareholders' Approval:** All Material Related Party Transactions and subsequent material modifications thereof shall require prior approval of the Shareholders through a resolution, and no Related Party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

4. Disclosures and Periodic Policy Review

The Company shall submit disclosures of Related Party Transactions on a consolidated basis to the Stock Exchange(s) every six months on the date of publication of its standalone and consolidated financial results under Regulation 23(9). This Policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly.