



**THE GRAND BHAGWATI**  
HOTELS • BANQUETS • CONVENTIONS

**RELATED PARTY TRANSACTION POLICY**

(This Policy is lastly amended as per the recommendations of the Audit Committee meeting held on 13<sup>th</sup> day of February, 2026 and approved by the Board of Directors at its meeting held on 13<sup>th</sup> day of February, 2026.)

**1. Preamble**

This policy is adopted by the Board with the objective of ensuring compliance with the provisions pertaining to **Related Party Transactions (RPT)** in the Companies Act, 2013 (“**Act**”) read with the Rules framed there under and **the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**.

Accordingly, RPTs may be entered into by the Company only in accordance with this Policy (includes Framework) as amended from time to time.

This policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable on the Company.

**2. Purpose**

This policy is framed as per the requirements of Regulation 23 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any modification(s) / amendment(s) / re-enactment(s) thereof] (“**SEBI LODR**”) and in terms of Section 188 of the Companies Act, 2013 and is intended to ensure proper approval, disclosure and reporting requirements of transactions between the Company and its Related Parties.

**3. Definitions**

- a. “Act”** means the Companies Act, 2013 including the rules, schedules, clarifications and guidelines issued by the Ministry of Corporate Affairs from time to time.
- b. “Arms’ length Transaction”**, means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- c. “Audit Committee”** shall mean the Audit Committee of the Board of Directors constituted in accordance with the provisions of SEBI LODR and Companies Act, 2013 as amended from time to time.
- d. “Board”** refers to Board of Directors of TGB Banquets and Hotels Limited, as constituted from time to time.

- e. **“Company” or “TGBBHL”** refers to TGB Banquets and Hotels Limited pursuant to this policy, having its Registered Office at “The Grand Bhagwati”, Plot No. 380, S. G. Road, Bodakdev, Ahmedabad- 380054.
- f. **“Control”** shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be amended from time to time.
- g. **“Material Related Party Transaction”** in terms of SEBI LODR means a transaction to be entered into with a Related Party, individually or taken together with previous transactions during a financial year, if exceeds the following thresholds:

<b>Consolidated Turnover of Listed Entity</b>	<b>Threshold</b>
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the Company
(II) More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	Rs. 2,000 Crore + 5% of the annual consolidated turnover of the Company above Rs. 20,000 Crore
(III) More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the Company above Rs. 40,000 Crore or Rs. 5,000 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

- h. **“Related Party”** means such entity or individuals as defined as related party under Section 2(76) of the Act and the rules framed thereunder and Regulation 2(1)(zb) of SEBI Listing Regulations as amended from time to time or such entity is a party under the applicable accounting standards.
- i. **“Related Party Transaction” (“RPY”)** means any transaction as defined under the Act, Rules made thereunder and Regulation 2(1)(zc) of SEBI Listing Regulations and any amendment or modifications thereof from time to time.
- j. **“Transaction”** with a Related Party shall be construed to include single transaction or a group of transactions entered into under a single contract.
- k. **“Material Modification”** means any subsequent modification/change in the pricing, quantity or value of transaction of related party transaction with a variance of 50% or more in the relevant previously approved related party transaction.

#### 4. Disclosures

- The particulars of contracts or arrangements with related parties referred to in Section 188(1) in the prescribed form in the Board’s report.
- The Company shall also have to disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report (by way of a web link).
- The Company shall make disclosures to the stock exchanges every 6 (Six) months on the date of publication of its standalone and consolidated financial results in the format specified by the SEBI from time to time, and shall publish the same on the Company’s website.

- The remuneration and sitting fees paid by the Company 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 and not disclosed under this policy provided that the same is not material in terms of this policy.

## **5. Policy for dealing with Related Party Transactions**

### **Identification of Related Party Transactions**

Every director, key managerial personnel (KMPs) and promoters shall at the beginning of the financial year provide information by way of written notice to the company regarding his/her concern or interest in the entity with specific concern to parties which may be considered as related party with respect to the Company and shall also provide the list of relatives which are regarded as related party as per this policy. They are also required to provide the information regarding their engagement with other entity during the financial year which may be regarded as related party according to this policy.

The Company will identify potential transactions with Related Parties based on written notices of concern or interests received from its Directors / Key Managerial Personnel in the manner prescribed in the Companies Act, 2013 and the rules thereunder and SEBI LODR as amended from time to time.

### **Review and Approvals of Related Party Transactions**

- i) Every Related Party Transaction and subsequent Material Modifications shall be subject to the prior approval of the Audit Committee. Members of the audit committee, who are independent directors, shall only approve related party transactions.
- ii) Audit Committee may grant omnibus approval for those related party transactions which are repetitive in nature subject to compliance of the conditions contained in the Companies Act, 2013 and SEBI LODR as amended from time to time.
- iii) For those transactions which cannot be foreseen, Audit Committee can also grant omnibus approval subject to their value not exceeding Rs. 1 crore per transaction.
- iv) On quarterly basis the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given shall be placed before the Committee for its review.

If any additional Related Party Transaction is to be entered by the Company post omnibus approval granted by the Audit Committee, then the Company shall present such transaction before the Audit Committee in its next meeting for its approval.

- v) Prior approval of the Audit committee shall be required for
- a) All RPTs and subsequent Material Modifications
  - b) A related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction, exceeds the lower of the following:
    - (i) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
    - (ii) the threshold for Material Related Party Transaction.
  - c) In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, if the value of such transaction exceeds the lower of the following:
    - (i) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
    - (ii) the threshold for Material Related Party Transactions of the Company.
- Provided that prior approval of the audit committee of the Company shall not be required for RPTs where a listed subsidiary of the Company is a party but the Company is not a party, if regulation 23 and 15 (2) of SEBI LODR are applicable to such listed subsidiary.
  - Notwithstanding anything to the contrary in this Policy, 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 in terms of the provisions of Regulation 23(1) of SEBI LODR;
    - iii rationale for inability to seek prior approval for the transaction shall be 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 in terms of the Regulation 23(9) of SEBI LODR;
    - 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 party related to any director, key managerial personnel and promoters, or is authorised by any other director, key managerial personnel and promoters, the concerned director, key managerial personnel and promoters shall indemnify the Company against any loss incurred by it.
  - If any additional Related Party Transaction is to be entered by the Company post omnibus approval granted by the Audit Committee, then the Company shall present such transaction before the Audit Committee in its next meeting for its prior approval.

- The Audit Committee shall also review the statement of significant related party transactions submitted by management as per its terms of reference.
- Any member of the Audit Committee who has a potential interest in any Related Party Transaction shall abstain from discussion and voting on the approval of the Related Party Transaction.
- To review proposed RPTs placed before the Audit Committee for approval and the Audit Committee shall recommend the Related Party Transactions for approval of Board of Directors / Shareholders, as per terms of this Policy.

**vi) Approval of of the Board and the Shareholders:**

- All Related Party Transactions which are not in the ordinary course of business or not at the arm's length price shall require prior approval of the Board of Directors of the Company. Where any director is interested in any Related Party Transaction, such director will abstain from discussion and voting on the subject matter of the resolution relating to such Transaction.
- All related party transactions which are not in the ordinary course of business or not at the arm's length price **and** are exceeding threshold limits prescribed in the Act shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and all entities falling under the definition of Related Parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.
- All the Material Related Party Transactions and subsequent Material Modifications shall require prior approval of the Board and shareholders through Ordinary Resolution and no Related Party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not. Provided that prior approval of shareholders of the Company shall not be required for RPTs where listed subsidiary is a party but the Company is not a party, if regulation 23 and 15 (2) of SEBI LODR are applicable to such listed subsidiary.
- Material Related Transactions entered into by the Company with its wholly owned subsidiary (ies) whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval shall not require approval of the shareholders.
- However, in case the requirement of obtaining the said approvals arise because of compliance of Section 188, the Company shall be required to obtain the same.
- If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth in this policy shall apply to the Board's review/approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

- All Entities falling under the definition of related parties are required to abstain from voting irrespective of whether the entity is a party to a particular transaction or not.
- To review and approve a Related Party Transaction, the Committee/Board/members shall be provided with the necessary information as prescribed under the Companies Act, 2013 and/or the SEBI Listing Regulations, from time to time]], to the extent relevant, with respect to actual or potential Related Party Transactions.

The Audit Committee may call for such additional information as may be required for granting approval to such Transactions. In respect of Transactions which are repetitive in nature, the Audit Committee may, after satisfying itself as to the need for granting such approval, provide an omnibus approval for each transaction with Related Party within which the transactions with the Related Parties should be executed during the year.

#### **Related Party Transaction Not Approved under this RPT Policy**

In the event any Transaction has been undertaken / is being undertaken with a Related Party without obtaining requisite approval under this RPT policy, such transactions should be immediately reported to the Company Secretary. Such Transactions shall be reviewed by the Audit Committee in the next meeting. The Audit Committee shall be provided with all the relevant facts and circumstances for entering into such transaction with a related party. Based on the information provided, the Audit Committee shall evaluate and take such necessary steps, as it may deem fit, including Ratification, Termination or Revision of any terms of the Related Party Transaction. The Audit Committee shall keep the Board apprised of any instances of such transactions entered into with any related party in contravention of this RPT policy and recommend to Board for its approval.

#### **Transactions which do not require approval**

Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party likely:

- the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
  - a) payment of dividend
  - b) subdivision or consolidation of securities;
  - c) issuance of securities by way of a rights issue or a bonus issue; and
  - d) buy-back of securities
- Acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board.

- acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:

Explanation: Acceptance of deposits includes payment of interest thereon.

- Retail purchases from listed entity or its subsidiary by the directors or key managerial personnel of the listed entity or its subsidiary, and relatives of such directors or key managerial personnel, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel.

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);

## **6. Amendments/Review to this Policy**

In case of any subsequent changes in the provisions of the Companies Act, 2013 and SEBI LODR or any other regulations (“the Regulations”) which makes any of the provisions in the policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the Policy and the provisions in the policy would be modified in due course to make it consistent with the Regulations and this policy shall be reviewed by the board of directors at least once every three years and updated accordingly.