The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations") has mandated every listed company to formulate a policy on materiality of Related Party Transactions and on the procedure of dealing with Related Party Transactions ("Policy"). Accordingly, the Company has formulated this Policy on recommendation by the Audit Committee.

This Policy regulates all transactions between the Company and its Related Parties.

This Policy came into effect from 4th May, 2026

Definitions

a. "Audit Committee or Committee" means the Audit Committee of Board of Directors of the Company;
b. "Board" means the Board of Directors of the Company;
c. "Key Managerial Personnel" means the following managerial personnel as defined under the Companies Act, 2013:
    (i) The Chief Executive Officer or the managing director or manager;
    (ii) The Company Secretary;
    (iii) The whole-time director;
    (iv) The Chief Financial Officer and
    (v) Such other officer as may be prescribed under the Companies Act 2013;

d. "Policy" means this Related Party Transactions Policy;

e. "Related Party" means an entity which is a related party as defined in Section 2(76) of the Companies Act, 2013 or if such entity is related party under the applicable Accounting Standards;

f. "Related Party Transaction" means any transaction directly or indirectly involving any Related Party which is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged;

g. "transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract.

h. "Material Related Party Transaction" means a transaction with a Related Party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds specified under Regulation 23 of the Listing Regulations read with Schedule XII thereto as amended from time to time, based on the annual consolidated turnover of the Company as per the last audited financial statements.

As on date, 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 the following threshold criteria:

Annual Consolidated Turnover of Company as per latest audited financials	RPT considered material if transaction is:
up to ₹20,000 crore	> 10% of annual consolidated turnover
₹20,001–₹40,000 crore	> ₹2,000 crore + 5% of annual consolidated turnover above ₹20,000 crore
above ₹40,000 crore	> ₹3,000 crore + 2.5% of annual consolidated turnover above ₹40,000 crore or ₹5000 Crores, whichever is lower

With effect from July 01, 2019, 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 listed entity as per the last audited financial statements of the listed entity

i. "Relative" means a relative as defined in Section 2(77) of the Companies Act, 2013.

j. "Material modifications" means any modification(s) to the related party transaction during the financial year that will change the complete nature of the transaction and/or which may involve any changes in terms of price, quantity etc. beyond 20%, which were taken into consideration by Audit Committee and/or Shareholders, while approving the original related party transaction, in a manner prescribed under Regulation 23 and Schedule XII of the Listing Regulations.

Explanation: Any change in price, quantity or other terms of the Material Related Party Transactions, which are market-driven or based on factors beyond the control of the Company shall not be considered as material modification, as long as the same is on arm's length basis.

Words and expressions used in this Policy not specifically defined hereunder will have the same meaning assigned to them in the Companies Act, 2013 or Rules framed there under and applicable SEBI Regulations.

Handling of Related Party Transactions (RPTs)

1. Approval Requirements

All Related Party Transactions (RPTs) and any significant modifications must receive prior approval from the Audit Committee unless specifically exempted as per this policy. Only Independent Directors on the Audit Committee are authorized to approve such transactions.

2. Identification and Monitoring of Related Parties and RPTs

The Company will identify Related Parties through the following mechanisms:

- Each Director and Key Managerial Personnel (KMP) must provide the Board or Audit Committee with a list of their related parties upon appointment, annually, and whenever updates occur.

- The Promoters and Promoter Group will be identified based on disclosures under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

- Subsidiaries must submit a list of their Related Parties quarterly and immediately upon any changes.
- The Company will regularly review and update the list of Related Parties.

A robust monitoring mechanism will be established, including:

- Maintaining an updated list of Related Parties with unique identifiers.
- A process to evaluate potential RPTs before execution and secure necessary approvals.
- The Chief Financial Officer (CFO) will assess whether transactions qualify as RPTs and ensure prior approvals.
- Tracking all transactions with a unique identifier or transaction number.
- Flagging transactions for further scrutiny to ensure compliance.

3. Approval Process for Related Party Transactions

A. Audit Committee Approval

1. Subject to Regulation 23 of the Listing Regulations, all Related Party Transactions shall require prior approval of the Audit Committee, and such approval shall be granted only by the Independent Directors who are members of the Audit Committee.

2. Any member of the Committee having a direct or indirect interest in any Related Party Transaction will not participate during the discussion and voting on the approval of the Related Party Transaction(s).

3. Prior approval of Audit Committee is required for the following Related Party Transactions:

a) Where Company is a party;

b) Where the Company is not a party, but subsidiary of the Company is a party, if the value of such transaction exceeds INR 1 crore, individually or collectively over a financial year:

i. In case the subsidiary has latest audited financial statements of at least one year available, if the transaction exceeds lower of the following:

- Ten percent of the Annual Standalone Turnover of the subsidiary as per latest audited financial statements; or
- The threshold for material related party transactions of Company as specified in Schedule XII of the Listing regulations

ii. In case, the subsidiary does not have audited financial statements of at least one year, if the transaction exceeds lower of the following:

- ten percent of the aggregate value of paid-up share capital and securities premium account of subsidiary (taken as on a date, not older than three months prior to the date of seeking approval of the audit committee); or
- The threshold for material related party transactions of Company as specified in Schedule XII of the Listing regulations

c) Transaction of the Company and/or its subsidiaries with unrelated parties, the purpose and effect of which is to benefit the Related parties of the Company or any of its subsidiaries.

4. The Audit Committee may ratify transactions entered into with related parties, within the time frame and in manner as specified in the Act and Listing Regulations.

5. The Audit Committee may also grant omnibus approval for the Related Party Transactions proposed to be entered into by the Company and its subsidiaries, which are routine and repetitive in nature, if the transactions satisfy the following conditions:

a. Such Related Party transactions are foreseen and repetitive in nature;

b. Specific need of such omnibus approval;

c. The transactions are in the best interest of the Company.

6. The omnibus approval shall specify

(a) the name/s of the Related Party,

(b) nature of transaction,

(c) duration/period of transaction,

(d) maximum amount of transaction that can be entered into,

(e) the indicative base price / current contracted price and the formula for variation in price, if any

(f) such other conditions as the Audit Committee may deem fit;

7. Where the need for Related Party Transactions cannot be foreseen and the aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rupees One crore per transaction.

8. The omnibus approval referred hereinabove shall be based on the criteria specified in clause 7 of this Policy.

9. Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval to be effective after the expiry of such financial year.

10. The Audit Committee shall review the details of each Related Party Transaction undertaken by the Company and its subsidiaries, pursuant to such omnibus approval accorded for that year, on a quarterly basis.

11. In case the Committee does not approve any transaction, then it shall make its recommendations to the Board.

B. Board of Directors Approval Board approval is required for:

- RPTs under Section 188 of the Companies Act that are not in the ordinary course of business or not conducted at arm’s length.
- Transactions requiring shareholder approval as per the Companies Act or SEBI LODR Regulations.

Any director concerned or interested in any potential Related Party Transaction, shall abstain from discussion and voting when such transaction is being considered, at the meeting.

C. Shareholder Approval

The following related party transactions shall be subject to approval of the shareholders of the Company:

a. All material related party transactions and subsequent material modifications, as determined under the Act and Regulation 23 read with Schedule XII of the Listing Regulations, with respect to the Company or its unlisted subsidiary(ies) requiring approval of the shareholders through resolution prior or otherwise.

b. Related Party Transactions, which are not in the Ordinary Course of Business or not executed at an arm's length basis and exceeding the threshold limits as may be prescribed under the Act and the Rules made thereunder as amended from time to time.

The omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid as per the requirements of the Act and Listing Regulations.

Approval of shareholders shall not be required, if any such transaction is exempt from seeking such approval under Act or Listing Regulations. Further, related party transactions entered into by any listed subsidiary of the Company are exempt from approval of shareholders of the Company.

4. Approval Procedure for RPTs and Material Modifications

For the purpose of seeking approval of the Audit Committee / the Board, the KMP shall submit a proposal for approval of the RPTs containing the following minimum information (as per the Act, Listing Regulations, relevant SEBI Circulars in this regard, may be applicable:

(A) Minimum information to the Audit Committee for approval of Related Party Transactions:

The listed entity shall provide the following information, for review by the audit committee for approval of a proposed RPT:
a. Type, material terms and particulars of the proposed transaction;
b. Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);
c. Tenure of the proposed transaction (particular tenure shall be specified);
d. Value of the proposed transaction;
e. The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
f. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:
i. details of the source of funds in connection with the proposed transaction;
ii. where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments,

- nature of indebtedness;
- cost of funds; and
- tenure;

iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and

iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.

g. Justification as to why the RPT is in the interest of the listed entity;
h. A copy of the valuation or other external party report, if any such report has been relied upon;
i. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
j. Any other information that may be relevant.

(B) Minimum information to the Shareholders for approval of Related Party Transactions:

The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:

a. A summary of the information provided by the management of the listed entity to the audit committee;
b. Justification for why the proposed transaction is in the interest of the listed entity;
c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary;
d. A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;
e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
f. Any other information that may be relevant.

The proposals for Related Party Transactions shall comply with the Listing Regulations, SEBI circulars and framework prescribed by Industry Standards Forum, as amended from time to time, for minimum information to be placed before Audit Committee and shareholders while seeking their approvals, as may be applicable.

5. Exemptions from Approval Requirements

The following RPTs do not require approval from the Audit Committee, Board, or shareholders:

- Transactions between the Company and its wholly owned subsidiary, or between two wholly owned subsidiaries, consolidated in financial statements presented to shareholders.
- Transactions of a listed subsidiary that complies with Regulation 15(2) and Regulation 23 of SEBI LODR, provided the Company is not a party.
- RPTs of unlisted subsidiaries where the listed subsidiary's Audit Committee has granted approval.
- Transactions under a resolution plan approved by the Insolvency Code, subject to timely disclosure to stock exchanges.
- 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 provided that the same is not a Material Related Party Transaction.
- Other transactions which have been specifically excluded from the definition of Related Party Transactions under the proviso to Regulation 2(zc) of the SEBI LODR Regulations, and therefore, as amended from time to time, shall not require Audit Committee approval.

6. Determination of 'Ordinary Course of Business' and 'Arm's Length' Transactions

Ordinary Course of Business

"Ordinary Course of Business" refers to all transactions or activities that are necessary, normal and incidental to the business of the Company, and the objects of the Company permit such activity, shall be deemed to be in the ordinary course of business. These may also be common practices and customs of commercial transactions with a pattern of frequency.

To decide whether an activity which is carried on by the business is in the 'ordinary course of business', the following indicative factors may be considered:

i. Whether the activity is covered in the objects clause of the Memorandum of Association
ii. Whether the activity is in furtherance of the business.
iii. Whether the activity is normal or otherwise routine for particular business (i.e. activities like advertising, staff training, etc.
iv. Whether the activity is repetitive/frequent.
v. Whether the income, if any, earned from such activity/transaction is treated as business income in the financial statements of the Company.
vi. Whether the transactions are common in the particular industry.
vii. Whether there is any historical practice to conduct such activities.
viii. Whether, in case of activities relating to mergers, acquisitions, reconstruction etc., such transactions for organic & inorganic growth are common to industry to which the Company belongs.

The above list is not exhaustive.

Arm's Length Transactions

"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.

In this regard, the following guidelines can be used for determining the arms' length basis:

- whether the terms of the transaction are fair and would apply on the same basis if the transaction did not involve a Related Party;
- whether there are any compelling business reasons to enter into the transaction and the nature of alternative transactions, if any;
- whether the transaction would affect the independence of an independent director;
- whether the transaction poses any consequential potential reputational risk issues.

For determining the arms' length pricing, the Transfer Pricing guidelines issued by the relevant authorities under the provisions of Income Tax may be used to determine these criteria on a caseto-case basis.

The determination of ordinary course of business and arm's length basis shall also be in compliance with Regulation 23 of the Listing Regulations and guidance issued by SEBI from time to time.

7. Omnibus Approval Mechanism

The Audit Committee may grant omnibus approval for routine and repetitive transactions subject to:

- Justification for the need for omnibus approval.
- Predefined conditions and transaction details.
- Unforeseen transactions up to Rs. 1 crore per transaction.

- A validity period of one year.
- Quarterly review of transactions entered through omnibus approval.
- Annual review of long-term or recurring RPTs.

8. Related Party Transactions not approved under this policy

In the event the Company subsequently becomes aware of a RPT that has not been approved under this policy, the matter or transaction shall be placed as promptly as practicable before the 'Approving Authority' i.e., Committee or Board or the Shareholders as may be required in accordance with this Policy, for review and ratification.

The Approving Authority shall consider the relevant facts and circumstances regarding such related party transaction and shall assess possibilities available to the Company including but not limited to ratification, revision in the terms, or termination of such transaction. The decision of the Approving Authority shall be binding under such circumstances.

The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such RPT to the Committee under this Policy and shall take such actions it deems appropriate to address the failure in its internal mechanism for monitoring RPT. In connection with any review/ratification of any particular RPT, the Audit Committee has authority to modify or waive any procedural requirements of 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 sub-regulation (1) of this regulation;

(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 provisions of sub-regulation (9) of this regulation;

(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 authorised by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.

9. Disclosure Requirements

The Company will disclose RPTs in compliance with the Companies Act, SEBI LODR Regulations, and Indian Accounting Standards within prescribed timelines.

10. Policy Amendments and Review

- In case of regulatory changes conflicting with this policy, the regulatory provisions will take precedence, and necessary amendments will be made accordingly.
- The Audit Committee and Board will review the policy at least once every three years.
- Changes recommended by the Audit Committee will be subject to Board approval.
- The Board may authorize directors to implement regulatory amendments, which will be presented for review in the subsequent Board meeting.

11. Website This policy shall be disclosed on the website of the company https://premierenergy.in/