



POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS

A. PURPOSE

This Policy aims to determine the Materiality of Related Party Transactions and to Deal with Related Party Transactions (“RPT”).

This Policy is framed in accordance with the provisions of regulation 23 of the SEBI (Listing Obligation and Disclosure requirements) regulations 2015, as amended from time to time, and Section 188 of the Companies Act, 2013 read with Rules made there under.

B. APPROVALS

a) All Related Party Transactions (including any modification/renewal thereof) shall require prior approval of the Audit Committee (“Committee”) and the Board of Directors.

b) The Audit Committee may grant omnibus approval to one or more proposed Related Party Transactions in accordance with regulation 23 of the Listing Regulations excepting those transactions which fall under Section 188 of the Companies Act, 2013, subject to the following conditions:

- i. Criteria for Omnibus approval shall be provided with the policy on RPTs.
- ii. Omnibus approval can only be granted for transactions of Repetitive nature and valid for maximum 1 year only and require approval thereafter.

c) Audit committee shall satisfy itself that there is need for omnibus approval for a repetitive transaction and Omnibus approval is in company’s interest

d) Omnibus approval shall specify: -

- (i) Name of Related party
- (ii) Nature of transactions to be entered in to,
- (iii) Maximum value of transactions that can be entered in to,
- (iv) Such other conditions as the audit committee may deem fit

If the need for RPT cannot be foreseen and above details are not available, Audit committee may grant omnibus approval up to Rs. 1 crore per transaction.

e) All Related Party Transactions which are ‘Material’ as defined in para-C of this Policy, shall also require prior approval of the shareholders by

way of Ordinary Resolution and all Related Parties shall abstain from voting, irrespective of whether they are party to the particular transaction or not. Provided that if the legal requirement is relaxed or made stringent on this requirement, then the same be followed.

However, in case of a transaction, where Listed entity is not a party but its Listed subsidiary is a party and covered under reg. 23 and 15(2) of LODR then Prior approval of shareholders is not required.

In case of a transaction, where Listed Subsidiary is not a party but unlisted subsidiary of the Listed subsidiary is a party, then prior approval of the shareholders of the listed subsidiary shall be enough.

- f) All Related Party Transactions prescribed under Section 188 of the Companies Act, 2013 which are either not in the ordinary course of business or are not at arm's length, shall require prior approval of:
- (i) Audit Committee; and
 - (ii) Board; and
 - (iii) Shareholders by way of Ordinary Resolution, if amount of such transactions exceeds the limits prescribed in Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014. The concerned Related Party shall abstain from voting on such resolution. Where such transaction is with a wholly owned subsidiary, the resolution passed by the Holding company shall be sufficient.
- g) All Related Party Transactions, post facto, shall be reviewed by the Committee on quarterly basis.

C. MATERIAL RELATED PARY TRANSACTION

RPT will be considered Material RPT in terms of regulation 23 of the SEBI (LODR) Regulations 2015, if the transaction alone or combined value of transactions, entered or to be entered into with the related party during the year EXCEEDS-

- i. General transactions- Rs. 1000 crore or 10% of Annual consolidated turnover of listed entity whichever is lower.
- ii. Payment made to a Related party for "Brand Use or Royalty" - 5% of Annual consolidated turnover of listed entity.

D. TRANSACTIONS WITH WHOLLY OWNED SUBSIDAIRIES

Provisions of Para B of this Policy shall not be applicable to the transactions entered into between the company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the

shareholders at the general meeting for approval.

E. DISCLOSURES

Particulars of Related Party Transaction shall be disclosed in such a manner as may be prescribed under Regulation 23 of SEBI (LODR) Regulations 2015 and/or the Companies Act, 2013 (including rules made there under), from time to time.

The Company Secretary / Compliance Officer shall also make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

The Company shall disclose to the stock exchange along with the compliance report on corporate governance on a quarterly basis detail of all material transactions with Related Parties.

Director's report shall contain details of Related Party Transactions as required under the Act and Regulation 23 of the SEBI Listing Regulations.

This policy shall be disclosed on the Company website www.atlasbicycles.com and a web link thereto shall be provided in the Annual report of the Company.

F. LIMITATION

In the event of any conflict between the provisions of this Policy and of the Listing Regulations / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Regulations / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

G. DISSEMINATION OF POLICIES

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational employees and other concerned persons of the Company and shall be hosted on the intranet and website of the Company and web link thereto shall be provided in the annual report of the Company.

H. REVIEW/ AMENDMENT

The Board may amend, modify and revise any or all clause of this policy.

The board reviewed and adopted the amended policy by the Board in its meeting dated May 29, 2024.