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Industry Standards for providing minimum information to the
Audit Committee / Shareholders
for Approval of Related Party Transactions
under
Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015
(“Listing Regulations”)

Listed companies are required to take prior approval of its Audit Committee for all “Related Party Transactions and subsequent material modifications thereto” (jointly referred hereinafter as “RPT” or “RPTs”). Further, the Audit Committee may also grant omnibus approval for RPTs proposed to be entered into by the listed entity(ies) or its subsidiary with certain stipulated conditions as envisaged vide Regulation 23(3) of the Listing Regulations. Furthermore, all non-material RPTs with aggregate value not exceeding Rs. 1 (one) Core in a financial year and not placed before the Audit Committee for approval, may be ratified by the independent directors as members of the Audit Committee within 3 (three) months from the date of the transaction or in the immediate next meeting of the Audit Committee, whichever is earlier, with additional conditions as may be stipulated. However, in terms of Regulation 23(4) of the Listing Regulations all “Material RPTs” shall also require prior approval of the Shareholders in the manner as specified therein. Furthermore, SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (“Master Circular”) vide Part A and Part B in Section III-B specify the information to be placed before the Audit Committee and Shareholders, respectively, for consideration and approval of RPTs. These provisions ensure that RPTs are conducted transparently, fairly and in the best interests of the listed entities and its public shareholders so that they have relevant data to assess the transaction’s nature, terms, and potential impact on the listed entities.

In order to facilitate uniform approach and assist listed entities in complying with the above mentioned requirements, the Industry Standards Forum (“ISF”) comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, formulated Industry Standards (“IS” or “Standards” or “RPT IS”), in consultation with SEBI, for minimum information to be provided to the Audit Committee and Shareholders for



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approval of RPTs and notified the same vide SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025 making it effective from April 1, 2025. However, the Effective date of the said Circular was extended from April 1, 2025 to July 1, 2025 vide SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/37 dated March 21, 2025 and again from July 1, 2025 to September 1, 2025 vide SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025. Further, ISF in consultation with SEBI, also revised the earlier “**RPT IS**” and the same will substitute the “**RPT IS**” notified by SEBI vide its Circular dated February 14, 2025. The industry associations which are part of ISF (ASSOCHAM, FICCI, and CII) and the Stock Exchanges have published the revised “**RPT IS**” on their websites too.

In terms of the aforesaid Circulars, the listed entities are mandated to follow the “**RPT IS**” to ensure compliance with Part A and Part B of Section III-B of the Master Circular read with Regulations 23(2), (3) and (4) of the Listing Regulations. These Standards aim to critically analyse the adequacy and clarity the information provided, ensuring that it meets the legal and regulatory requirements set forth under the Listing Regulations and the Master Circular. The information provided in the standardized format shall be incorporated into the agenda convening the meeting of the Audit Committee and the comments of the Audit Committee, if provided, shall be recorded in the minutes of the meeting of the Audit Committee. For Material RPTs, the information as prescribed in these Standards shall be included in the Explanatory Statement to the Notice sent to Shareholders.

These Standards shall be applicable in respect of RPTs entered into by the listed entities on or after **September 1, 2025**. Various aspects of these new provisions are analysed below :

Srl. No.	Particulars	Analysis
1	<i>What information are required to be provided to the Audit Committee for approval / ratification of RPTs, at present.</i>	At present, the information as elaborated vide Paragraph 4 under Part – A in Section III-B of the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (“Master Circular”) are required to be provided to the Audit Committee for approval / ratification of RPTs. (<i>Annexure – “I”</i>).



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2	<i>Is there any change in information as required to be provided to the Audit Committee for approval / ratification of RPTs, in terms of the Master Circular.</i>	<p>Yes. The existing provisions as elaborated vide Paragraph 4 under Part – A in Section III-B of the Master Circular will be replaced with the following w.e.f. September 1, 2025 in terms of SEBI Circular No. : SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 (“New Circular”).</p> <p>(Annexure – “II”) :</p> <p><i>“The listed entity shall provide the Audit Committee with the information as specified in the Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”, while placing any proposal for review and approval of an RPT.”</i></p>
3	<i>What information are required to be placed before the Shareholders for approval of Material RPTs, at present.</i>	<p>At present, the notice sent to the Shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the items as elaborated vide Paragraph 6 under Part – B in Section III- B of the Master Circular. (Annexure – “III”).</p>
4	<i>Is there any change in information as required to be placed before the Shareholders for approval / ratification of RPTs, in terms of the Master Circular.</i>	<p>Yes. The existing provisions as elaborated vide Paragraph 6 under Part – B in Section III-B of the Master Circular will be replaced with the following w.e.f. September 1, 2025 in terms of New Circular :</p> <p><i>“The notice being sent to the Shareholders seeking approval for any RPT shall, in addition to the requirements under the Companies Act, 2013, include the information as part of the explanatory statement as specified in the Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions.””</i></p>



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5	<i>What is “Industry Standards” on “Minimum information to be provided to the Audit Committee and Shareholders for approval of RPTs”.</i>	<p>The Industry Standards Forum comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, have formulated Industry Standards, in consultation with SEBI, for “Minimum information to be provided to the Audit Committee and Shareholders for approval of RPTs”. These Standards are published on the website of the Stock Exchanges as well as of ASSOCHAM, CII and FICCI.</p> <p>SEBI vide its New Circular has mandated listed companies to follow these Standards in compliance with the Master Circular read with provisions of the Listing Regulations and the listed companies are required to provide the Audit Committee and Shareholders with the information as specified in the “RPT IS” on “Minimum information to be provided to the Audit Committee and Shareholders for approval of RPTs”, while placing any proposal for review and approval of an RPT.</p>
6	<i>What is the Effective Date for applicability of “RPT IS”.</i>	September 1, 2025.
7	<i>What will be the status of RPTs already approved by the Audit Committee / Shareholders, prior to the Effective Date.</i>	<p>The “RPT IS” shall be applicable from September 1, 2025 (“Effective Date”). However, the New Circular has clarified that:</p> <p>(a) If the Audit Committee and/or Shareholders have granted approval before the Effective Date, for RPTs to be executed on or after the Effective Date, then it will not be necessary for the listed entity to seek approval during the validity of the approval unless there is any material modification to such RPTs which is presented to the Audit Committee after the Effective Date.</p>



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		<p>(b) If omnibus approval has been granted before the Effective Date for RPTs for the financial year 2025-26, then the listed entity is not required to seek fresh approval with disclosures as per “RPT IS”. However, any material modification to such RPTs on or after the Effective Date, shall be subject to the “RPT IS”.</p> <p>(c) If a Material RPT is approved by the Audit Committee before the Effective Date, the “RPT IS” shall not apply, irrespective of whether the notice to Shareholders is sent either before or on or after the Effective Date.</p>
8	<i>What is the applicability of “RPT IS”.</i>	<p>The “RPT IS” shall be applicable for all RPTs placed for review and approval by the Audit Committee of the listed entities, in terms of Regulation 23(2) and 23(3) of the Listing Regulations.</p> <p>Similarly, “RPT IS” shall also be applicable in case of Material RPTs as defined under Regulation 23(1) & 23(1A) of the Listing Regulations, which are placed for approval of both the Audit Committee and the Shareholders.</p>
9	<i>Whether “RPT IS” shall be applicable to all RPTs.</i>	<p>“RPT IS” shall be applicable to all RPTs, <u>except</u> the following:</p> <ul style="list-style-type: none"> a) transactions entered into between two public sector companies; b) transactions entered into between a holding 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; c) transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose



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		<p>accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval;</p> <p>d) transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand;</p> <p>e) transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand;</p> <p>f) quarterly review of RPTs entered into by the listed entity or its subsidiary(ies) by the Audit Committee pursuant to each of the omnibus approval given;</p> <p>g) Transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year (including which are approved by way of ratification) do not exceed Rs. 1 (One) Crore.</p>
10	<i>Whether “RPT IS” on “Minimum information to be provided to the Audit Committee and Shareholders for approval of RPTs” is applicable to all listed entities.</i>	Yes.
11	<i>Is there any classification of RPT under “RPT IS”.</i>	Yes. RPTs are classified into following categories under “RPT IS” :



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		<p>a. <u>Part A</u>: This Part of the Standards captures the minimum information of the proposed RPT and is applicable to all RPTs.</p> <p>b. <u>Part B</u>: This Part is applicable only if a specific type of RPT is proposed to be undertaken and is in addition to Part A. Following 7 (seven) types of RPTs have been specified:</p> <ol style="list-style-type: none"> 1) Sale, purchase or supply of goods or services or any other similar business transaction and trade advances; 2) Loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary; 3) Investment made by the listed entity or its subsidiary; 4) Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee)), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary; 5) Borrowings by the listed entity or its subsidiary; 6) Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate; 7) Transactions relating to payment of royalty <p>c. <u>Part C</u> : This Part is applicable only if a specific type of RPT proposed to be undertaken is a Material RPT as</p>
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		defined under Regulation 23(1) & (1A) of the Listing Regulations; and is in addition to Part A and Part B (with respect to such RPT).
12	<i>What is Material RPT.</i>	<p>Material RPT has been defined under Regulation 23(1) and (1A) of the Listing Regulations as follows :</p> <p>23(1) : 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 rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower;</p> <p>23(1A) : 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 five percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.</p>
13	<i>Whether “RPT IS” on “Minimum information to be provided to the Audit Committee and Shareholders for approval of RPTs” is applicable in case of ratification of RPTs too.</i>	Yes.



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14	<p><i>What is the standard process, to be followed by the listed entities, for providing minimum information of RPTs to the Audit Committee (including ratification).</i></p>	<ol style="list-style-type: none"> 1. Any proposal for review and approval of a RPT shall be placed before the Audit Committee in the format specified in the “RPT IS”. 2. While placing the information before the Audit Committee, it is to be ensured that : <ol style="list-style-type: none"> (a) Where a field is not applicable, it shall be indicated as “NA”, and the reasons for non-applicability shall be disclosed to the Audit Committee, unless it is self-evident. (b) Certificate from the CEO/MD/WTD/Manager and CFO confirming that the terms of RPTs proposed to be entered into are in the interest of the company, to be attached. (c) Copy of the valuation or other report of external party, if any, to be attached. (d) If the audited financial statements of the related party are not available for immediately preceding financial year, it shall provide the financial extracts as relevant to/for the minimum information to be provided under the “RPT IS”, duly certified by the related party, as drawn from its books of accounts. (e) When the related party follows a different financial year, such fact shall be disclosed. (f) In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction
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15	<i>Is it necessary for the Audit Committee to comment on the information provided by the management.</i>	No. The Audit Committee may, at its discretion, comment on information provided by the management. However, such comments and the rationale for not approving a RPT shall be recorded in the minutes of the meeting of the Audit committee.
16	<i>Can Audit Committee seek any additional information from the management, as it deems necessary and reasonable, to evaluate the proposed RPT.</i>	Yes.
17	<i>Is there any format for minimum information to be provided to the Audit Committee for Approval (including ratification) of RPTs.</i>	Yes. “ RPT IS ” on “Minimum information to be provided to the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)” provides the format for minimum information to be provided for review of the Audit Committee for Approval (including ratification) of RPTs. (Annexure – “IV”).
18	<i>What are the salient features of the format for minimum information to be provided to the Audit Committee for Approval (including ratification) of RPTs.</i>	<p>The “Disclosure Format” are divided into 3 (three) parts :</p> <p>Part – A : This Part of the Standards captures the minimum information of the proposed RPT and is applicable to all RPTs.</p> <p>Part – B : This Part is applicable only if the following type of RPTs are proposed to be undertaken and is in addition to Part A :</p> <ol style="list-style-type: none"> 1) Sale, purchase or supply of goods or services or any other similar business transaction and trade advances; 2) Loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary;



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		<p>3) Investment made by the listed entity or its subsidiary;</p> <p>4) Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee)), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary;</p> <p>5) Borrowings by the listed entity or its subsidiary;</p> <p>6) Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate;</p> <p>7) Transactions relating to payment of royalty</p> <p>Part – C : This Part is applicable only if the specific type of RPTs, as mentioned in PART B, proposed to be undertaken is a Material RPT. The disclosure requirement is in addition to Part A and Part B (with respect to such RPT)</p>
19	<i>Whether minimum information to be provided to the Shareholders for approval of Material RPTs is also specified in the New Circular.</i>	Yes. Please refer to <i>Annexure – V</i> .
20	<i>Whether existing policy on materiality of related party transactions and on dealing with related party transactions, adopted by the</i>	Existing policy on materiality of related party transactions and on dealing with related party transactions, adopted by the listed companies may required to be altered due to the New Circular.



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	<i>listed companies need to be altered due to the New Circular.</i>	
21	<i>Whether provisions of “RPT IS” will prevail over SEBI Circulars or its rules & regulations, in case of any inconsistency.</i>	If a particular part of the “RPT IS” becomes inconsistent with subsequent changes in the Listing Regulations and/or SEBI Circular(s), the provisions of the Listing Regulations and/or SEBI Circular(s) shall prevail.
22	<i>What is the fine/penalty in case of failure to comply with Regulation 23 of the Listing Regulations / Master Circular or the New Circular.</i>	<p>In accordance with Regulation 23(9) of the Listing Regulations, the listed entity is required to submit to the stock exchanges disclosures of RPTs in the format as specified by the Board from time to time, and publish the same on its website and the Master Circular provides for a fine of Rs. 5,000/- per day for non-compliance with the said stipulations.</p> <p>However, no specific fine/penalty is specified in case of failure of compliance with the provisions of Part – A and Part – B of Section III-B of the Master Circular or the New Circular and the same will be determined by the stock exchange(s) in terms of Regulation 98 of the Listing Regulations, which <i>inter alia</i> provides as follows :</p> <p><i>“The listed entity or any other person thereof who contravenes any of the provisions of these regulations, shall, in addition to liability for action in terms of the securities laws, be liable for the following actions by the respective stock exchange(s), in the manner specified in circulars or guidelines issued by the Board:</i></p> <p><i>(a) imposition of fines;</i></p> <p><i>(b) suspension of trading;</i></p>



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		<p><i>(c) freezing of promoter/promoter group holding of designated securities, as may be applicable, in coordination with depositories.</i></p> <p><i>(d) any other action as may be specified by the Board from time-to-time</i></p>
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Conclusion :

Providing detailed information with full disclosures to the audit committee and shareholders for the approval of related party transactions is crucial. Their role in reviewing and approving related party transactions is vital for maintaining the integrity, fairness, and transparency of the organization's financial practices, which, in turn, fosters trust with stakeholders. It not only ensures proper disclosure and enhances audit quality strengthening corporate governance norms but plays an important role in preventing conflicts of interest by ensuring compliance with legal and regulatory requirements and protecting shareholders' interests too.

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Disclaimer : The above note/analysis has been prepared by our research team for guidance purpose only. For authentication of data/information provided, please refer the respective acts, rules and laws. For any further query in the matter, you may contact us at aklabhcs@gmail.com or aklabh@aklabh.com Please visit at www.aklabh.com to know more about us and our services. **##**



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Annexure – “I”

Paragraph 4 under Part – A in Section III-B of the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024

Information to be reviewed by the Audit Committee for approval of RPTs

The listed entity shall provide the following information, for review of 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 investment 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, interoperate 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



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- 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 the value of the proposed RPT on a voluntary basis;
- j. Any other information that may be relevant.

CIRCULAR

SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93

June 26, 2025

To,

All listed entities

All the recognized Stock Exchanges

The Associated Chambers of Commerce and Industry of India (ASSOCHAM)

Federation of Indian Chambers of Commerce and Industry (FICCI)

Confederation of Indian Industry (CII)

Dear Sir/Madam,

Sub: Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions"

1. Regulation 23(2), (3) and (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") require related party transactions ("**RPTs**") to be approved by the audit committee and by the shareholders, if material. Part A and Part B of Section III-B of SEBI Master Circular dated November 11, 2024¹ ("**Master Circular**") specify the information to be placed before the audit committee and shareholders, respectively, for consideration of RPTs.
2. Accordingly, Industry Standards Forum ("**ISF**") comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, in consultation with SEBI, formulated the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ("**Industry Standards**").
3. SEBI vide Circular dated February 14, 2025 ([link](#)) ("**the Circular**") required listed entities to follow aforesaid Industry Standards with effect from April 01, 2025.
4. The objective of these Industry Standards is to provide a standard format for minimum information to be provided to the Audit Committee and Shareholders (as applicable) for approval of RPTs.

¹ Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities.



5. Pursuant to feedback and requests received from various stakeholders, SEBI vide Circular dated March 21, 2025 ([link](#)) extended the timeline for applicability of the Industry Standards to July 01, 2025 and referred the feedback received for simplification of the Industry Standards to ISF for consideration and review of existing Industry Standards.
6. ISF considered the feedback, and in consultation with the SEBI, came out with the revised Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions (**RPT Industry Standards**)".
7. Accordingly, Section III-B of the Master Circular shall stand modified as under from the effective date of this circular:
 - 7.1. Paragraph 4 under Part A of Section III-B shall stand substituted by the following paragraph:

"The listed entity shall provide the audit committee with the information as specified in the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", while placing any proposal for review and approval of an RPT."
 - 7.2. Paragraph 6 under Part B of Section III-B shall stand substituted by the following paragraph:

"The notice being sent to the shareholders seeking approval for any RPT shall, in addition to the requirements under the Companies Act, 2013, include the information as part of the explanatory statement as specified in the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions."
8. The listed entities, from the effective date of this Circular, shall follow the aforesaid RPT Industry Standards to ensure compliance with Part A and Part B of Section III-B of the Master Circular read with Regulation 23(2), (3) and (4) of LODR Regulations.
9. The industry associations which are part of ISF (ASSOCHAM, FICCI, and CII) and the stock exchanges shall:
 - 9.1. Publish the RPT Industry Standards on their respective websites.
 - 9.2. Prepare FAQs on RPT Industry Standards in consultation with the SEBI. The FAQs shall take into consideration the queries/clarifications etc. received from the stakeholders.
 - 9.3. Place aforesaid FAQs on their respective websites.



10. This circular shall come into effect from **September 01, 2025**.
11. The instant Circular supersedes the Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025 and Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/37 dated March 21, 2025.
12. The Stock Exchanges are advised to bring the contents of this Circular to the notice of their listed entities.
13. This Circular is issued in exercise of the powers conferred under Section 11(1) and 11A of the Securities and Exchange Board of India Act, 1992 read with regulation 101 of LODR Regulations.
14. This Circular is available on SEBI website at www.sebi.gov.in under the category: 'Legal → Circulars'.

Yours faithfully,

Rajesh Kumar Dangeti
Chief General Manager
Corporation Finance Department
Tel. No.: +91 22 2644 9500
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Annexure – “III”

Paragraph 6 under Part – B in Section III-B of the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024

Information to be provided to Shareholders for consideration of RPTs

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 as specified in paragraph 4 of this Section;
- 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, the details specified under para 4(f) above; (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/NBFCs.)
- 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 the value of the proposed RPT, on a voluntary basis;
- f. Any other information that may be relevant.

4. Minimum Information to be provided to the Audit Committee for approval (including ratification) of RPTs.

PART A

Minimum information of the proposed RPT, applicable to all RPTs

Note: This part requires disclosure in sub-para(s) (A1 to A5) under the following headings in case of all Related Party Transaction(s):

- A(1): Basic details of the related party
- A(2): Relationship and ownership of the related party
- A(3): Details of previous transactions with the related party
- A(4): Amount of the proposed transaction(s)
- A(5): Basic details of the proposed transaction

A(1).

Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	
2.	Country of incorporation of the related party	
3.	Nature of business of the related party	

A(2).

Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	<p>Relationship between the listed entity/subsidiary¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:</p> <ul style="list-style-type: none"> Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary). Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary). <p>Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity/Subsidiary/ related party has control².</p> <p>While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.</p>	

¹ The term "subsidiary", is as defined under LODR Regulations, and accessible here: ([Link](#))

² The term "control" is as defined under LODR Regulations, and accessible here: ([Link](#))

³ The term "relative" is as defined under LODR Regulations, and accessible here: ([Link](#))

A(3).

Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management									
1.	<p>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.</p> <table border="1"> <thead> <tr> <th>S. No.</th><th>Nature of Transactions</th><th>FY 20xx-20xx (INR)</th></tr> </thead> <tbody> <tr> <td> </td><td> </td><td> </td></tr> <tr> <td> </td><td> </td><td> </td></tr> </tbody> </table> <p><i>Explanation: Details need to be disclosed separately for listed entity and its subsidiary.</i></p>	S. No.	Nature of Transactions	FY 20xx-20xx (INR)							
S. No.	Nature of Transactions	FY 20xx-20xx (INR)									
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.										
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.										

A(4).

Amount of the proposed transaction(s)

S. No.	Particulars of the information	Information provided by the management								
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.									
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes or No?								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	%								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	%								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	%								
6.	Financial performance of the related party for the immediately preceding financial year: <table><tr><th>Particulars</th><th>FY 20xx-20xx (INR)</th></tr><tr><td>Turnover</td><td></td></tr><tr><td>Profit After Tax</td><td></td></tr><tr><td>Net worth</td><td></td></tr></table> <p>Explanations: The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</p>	Particulars	FY 20xx-20xx (INR)	Turnover		Profit After Tax		Net worth		
Particulars	FY 20xx-20xx (INR)									
Turnover										
Profit After Tax										
Net worth										

A(5).

Basic details of the proposed transaction

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	
2.	Details of each type of the proposed transaction	
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	
4.	Whether omnibus approval is being sought?	<i>Yes or No</i>
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. <i>Explanation:</i> Indirect interest shall mean interest held through any person over which an individual has control.	
	a. Name of the director / KMP	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	
9.	Other information relevant for decision making.	

PART B

Information to be provided *only* if a specific type of RPT as mentioned below is proposed to be undertaken and is in addition to Part A.

- B(1): Sale, purchase or supply of goods or services or any other similar business transaction and trade advances
- B(2): Loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary
- B(3): Investment made by the listed entity or its subsidiary
- B(4): Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee)), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary.
- B(5): Borrowings by the listed entity or its subsidiary
- B(6): Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate¹.
- B(7): Transactions relating to payment of royalty

¹ The term "associate" is as defined under LODR Regulations, and accessible here: ([Link](#))

B(1).

Disclosure *only* in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	
2.	Basis of determination of price.	
3.	In case of Trade advance (<i>of upto 365 days or such period for which such advances are extended as per normal trade practice</i>), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	
	b. Tenure	
	c. Whether same is self-liquidating?	

B(2).

Disclosure *only* in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	Source of funds in connection with the proposed transaction. <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/housing finance companies.</i>	
2.	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance, specify the following: <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.</i>	
	a. Nature of indebtedness	
	b. Total cost of borrowing	
	c. Tenure	
	d. Other details	
3.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/ other lenders. <i>Note:</i> (1) <i>This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.</i> (2) <i>Disclosure shall be made of borrowings undertaken by the listed entity with a comparable maturity profile to the loan/ICD being granted by the listed entity.</i>	
4.	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	
5.	Maturity / due date	
6.	Repayment schedule & terms	
7.	Whether secured or unsecured?	
8.	If secured, the nature of security & security coverage ratio	
9.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	

B(3).

Disclosure *only* in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	Source of funds in connection with the proposed transaction. <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs/insurance companies/ housing finance companies.</i>	
2.	Where any financial indebtedness is incurred to make investment, specify the following: <i>Note: This item of disclosure is not applicable to listed banks/ NBFCs /insurance companies/housing finance companies.</i>	
	a. Nature of indebtedness	
	b. Total cost of borrowing	
	c. Tenure	
	d. Other details	
3.	Purpose for which funds shall be utilized by the investee company.	
4.	Material terms of the proposed transaction	

B(4).

Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary.

S. No.	Particulars of the information	Information provided by the management
1.	(a) Rationale for giving guarantee, surety, indemnity or comfort letter	
	(b) Whether it will create a legally binding obligation on listed entity?	<i>Yes or No</i>
2.	Material covenants of the proposed transaction including: (i) commission, if any to be received by the listed entity or its subsidiary; (ii) contractual provisions on how the listed entity or its subsidiary will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked.	
3.	The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.	

B(5).

Disclosure *only* in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	Material covenants of the proposed transaction	
2.	Interest rate (<i>in terms of numerical value or base rate and applicable spread</i>)	
3.	Cost of borrowing <i>Note: This shall include all costs associated with the borrowing</i>	
4.	Maturity / due date	
5.	Repayment schedule & terms	
6.	Whether secured or unsecured	
7.	If secured, the nature of security & security coverage ratio	
8.	The purpose for which the funds will be utilized by the listed entity / subsidiary	

B(6).

Disclosure *only* in case of transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate

S. No.	Particulars of the information	Information provided by the management		
1.	Bidding or other process, if any, applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity.			
2.	Basis of determination of price.			
3.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate.			
4.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years:			
		<i>FY 20xx-20xx</i> (INR)	<i>FY 20xx-20xx</i> (INR)	<i>FY 20xx-20xx</i> (INR)
	Turnover			
	Net worth			
	Net Profit			
5.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking.			
	a. Expected impact on turnover			
	b. Expected impact on net worth			
	c. Expected impact on net profits			

B(7).
Disclosure only in case of transactions relating to payment of royalty

S. No.	Particulars of the information	Information provided by the management
1.	Purpose for which royalty is proposed to be paid to the related party in the current financial year.	
	<i>Note: For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology and know-how, state the key components of such agreements and the reasons royalty attributable to those key components could not be furnished separately.</i>	
	a. For use of brand name / trademark	<i>As a % of total royalty proposed to be paid</i>
	b. For transfer of technology know-how	<i>As a % of total royalty proposed to be paid</i>
	c. For professional fee, corporate management fee or any other fee	<i>As a % of total royalty proposed to be paid</i>
	d. Any other use (specify)	<i>As a % of total royalty proposed to be paid</i>
2.	(a) The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies in other jurisdiction.	Yes or No?
	(b) If No, furnish information below. If royalty is paid to the parent company, disclose royalty received by the parent company from group entities in other jurisdiction: <ul style="list-style-type: none"> Minimum rate of royalty charged along with corresponding absolute amount Maximum rate of royalty charged along with corresponding absolute amount <i>Note: The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty.</i>	%
3.	Sunset Clause for Royalty payment, if any.	

PART C

Information to be provided only if a specific type of RPT mentioned below proposed to be undertaken is a *material RPT* and is in addition to Part A and B

Note: This part requires disclosure under sub-para C1 to C6, as may be applicable, in addition to disclosures in Part A and Part B, only in case of material RPTs relating to:

- C(1): Transactions relating to any loans and advances (other than trade advance) or inter-corporate deposits given by the listed entity or its subsidiary.
- C(2): Investment made by the listed entity or its subsidiary.
- C(3): Guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary.
- C(4): Borrowings by the listed entity or its subsidiary.
- C(5): Sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate.
- C(6): Transactions relating to payment of royalty.

C(1).

Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	<p>Latest credit rating of the related party</p> <p><i>Note: Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any</i></p>	
2.	<p>Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.</p> <p><i>Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i></p> <p>In addition, state the following:</p> <ul style="list-style-type: none"> a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting; b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016. <p><i>Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.</i></p>	
	FY 20xx-20xx	
	FY 20xx-20xx	
	FY 20xx-20xx	

C(2).

Disclosure *only* in case of transactions relating to any investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	<p>Latest credit rating of the related party</p> <p><i>Note:</i></p> <p>a. <i>Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i></p> <p>b. <i>This shall be applicable in case of investment in debt securities.</i></p>	
2.	Whether any regulatory approval is required. If yes, whether the same has been obtained.	

C(3).

Disclosure *only* in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	<p>If guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter is given in connection with the borrowing by a related party, provide latest credit rating of the related party</p> <p><i>Note:</i></p> <p>a. Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</p> <p>b. This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</p>	
2.	<p>Details of solvency status and going concern status of the related party during the last three financial years:</p> <p><i>FY 20xx-20xx</i></p> <p><i>FY 20xx-20xx</i></p> <p><i>FY 20xx-20xx</i></p>	
3.	<p>The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee)-surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.</p>	
4.	<p>Default on borrowings, <i>if any</i>, over the last three financial years, by the related party from the listed entity or any other person.</p> <p><i>Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i></p>	

<p>In addition, state the following:</p> <p>a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;</p> <p>b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting;</p> <p>c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;</p> <p>d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.</p> <p><i>Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.</i></p>	
FY 20xx-20xx	
FY 20xx-20xx	
FY 20xx-20xx	

C(4).

Disclosure *only* in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements <i>Note: This shall not be applicable to listed banks/NBFC/insurance companies/housing finance companies.</i>	
	a. Before transaction	
	b. After transaction	
2.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements <i>Note: This shall not be applicable to listed banks/NBFC/insurance companies/ housing finance companies.</i>	
	a. Before transaction	
	b. After transaction	

C(5).

Disclosure *only* in case of transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate

S. No.	Particulars of the information	Information provided by the management
1.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months.	
2.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.	
3.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	
4.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?	
5.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	

C(6).
Disclosure only in case of transactions relating to payment of royalty

S. No.	Particulars of the information	Information provided by the management
1.	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three financial years	
	<i>FY 20xx-20xx</i>	<i>Amount of royalty</i>
	<i>FY 20xx-20xx</i>	<i>Amount of royalty</i>
	<i>FY 20xx-20xx</i>	<i>Amount of royalty</i>
2.	Purpose for which royalty was paid to the related party during the last three financial years. <i>Explanation: For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology and know-how, state the key components of such agreements and the reasons royalty attributable to those key components could not be furnished separately.</i>	
	a. For use of brand name / trademark	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	b. For transfer of technology know-how	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	c. For professional fee, corporate management fee or any other fee	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	d. Any other use (specify)	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
3.	Royalty paid in last 3 FYs as % of Net Profits of previous FYs	
	<i>FY 20xx-20xx</i>	<i>%</i>
	<i>FY 20xx-20xx</i>	<i>%</i>
	<i>FY 20xx-20xx</i>	<i>%</i>
4.	Percentage or Rate at which royalty has increased in the past 3 years, if any, vis-à-vis rate at which the turnover and profits after tax have increased during the same period.	<i>%</i>

5.

Peer Comparison:

Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any relevant Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:

	Listed Entity / Subsidiary	Peer 1	Peer 2	Peer 3
Royalty payment over last 3 years	Aggregate amount	Aggregate amount	Aggregate amount	Aggregate amount
Royalty paid as a % of net profits over the last 3 years	%	%	%	%
Annual growth rate of Turnover over last 3 years	%	%	%	%

Explanation: In the case of the payment of, the criteria for comparison with Industry Peers shall be as follows:

a.

The Listed Entity will compare the royalty payment with a minimum of three suitable and relevant Industry Peers (i.e. apple to apple comparable Industry Peers), where feasible.

b.

In cases where fewer than three Industry Peers are available, the listed entity will disclose, that only one or two peers are available for comparison.

c.

If the listed entity is part of any sectoral index, the listed entity is to consider the other constituents of such sectoral index for the purpose of peer comparison which are in similar line of business.

d.

In case there are no Industry Peers, the Listed Entity shall state that no Industry Peers are available for comparison.

5. Minimum Information to be provided to the shareholders for approval of Material RPTs:

- (1) The explanatory statement contained in the notice to the shareholders for seeking their approval for an RPT shall provide the minimum information so as to enable the shareholders to take a view whether the terms and conditions of the RPT are favorable to the listed entity.
- (2) The notice to the shareholders seeking approval for any material RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:
 - (a) Information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable.
 - (b) Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT.
 - (c) Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/ Managing Director/ Whole Time Director/ Manager and CFO of the Listed Entity as required under the RPT Industry Standards.
 - (d) Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval.
 - (e) Provide web-link and QR Code, through which shareholders can access the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT.
 - (f) The Audit Committee and Board of Directors, while providing information to the shareholders, can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity and affirm that, in its assessment, the redacted disclosures still provides all the necessary information to the public shareholders for informed decision-making.
 - (g) Any other information that may be relevant.
