

EDME INSURANCE BROKERS LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

Policy

Policy Title	<i>EDME - Policy on Related Party Transactions</i>
Policy Owner	<i>Finance</i>
Policy Author	<i>Finance</i>
Approved by	<i>Board of Directors</i>
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Version Control

Date	Prepared / Modified by	Reviewed By	Approved by	Version #	Nature of Change
31.03.2015	Priyanka Jain	Punit Pancholi	Board of Directors	1.0	New Policy
25.04.2022	Jay Gujral	Vikashh Agarwal	Board of Directors	2.0	To incorporate the impact of the amendments to the Listing Regulations on the holding company of the Company, Aditya Birla Capital Limited ("ABCL") and its subsidiaries.
26.11.2024	Jaibind Sahu	Anurag Dharnidharka	Board of Directors	3.0	Changes in Promotor/Group Entity and other connected matter
08.08.2025	Jaibind Sahu	Anurag Dharnidharka	Board of Directors	4.0	Coverage for transactions between intermediaries or Insurance intermediaries in case of common directorship

Introduction & Purpose

The Board of Directors of Edme Insurance Brokers Limited (Formerly known as Aditya Birla Insurance Brokers Limited) ("the Company", on recommendation of the Audit Committee, has adopted this policy by its resolution dated August 8, 2025 to:

- a) regulate transactions of the Company with its related parties (*as defined and identified under the Companies Act, 2013 and Rules made thereunder (the "Act")*) including transactions between intermediaries or insurance intermediaries who have been issued Certificate of Registration [CoR] by IRDAI in case of a common Directorship as required under IRDAI application regulations/guidelines.
- b) ensure high standards of Corporate Governance while dealing with related parties; and
- c) ensure optimum compliance with various applicable laws prescribed for related party transactions and transaction between intermediaries or insurance intermediaries who have been issued Certificate of Registration [CoR] by IRDAI.

Definitions

- a) Act: means the Companies Act, 2013 and Rules made thereunder, as amended from time to time.
- b) Accounting Standard means the standards of accounting or any addendum thereto, as recommended by the Institute of Chartered Accountants of India in consultation with and after examination of the recommendations made by the National Finance Reporting Authority.
- c) Related Party shall have the same meaning as defined under the Act, applicable Accounting Standards, as amended from time to time.
- d) Related Party Transaction (RPT) means transactions with related parties as defined under the Act; Listing Regulations; applicable accounting standards, as amended from time to time.

All terms used in this policy but not defined herein shall have the meaning assigned to such terms in the Act; and Accounting Standards, as amended from time to time.

Terms and References

- a) **Arm's Length Basis:** Terms will be treated as on 'Arm's Length Basis' if the commercial and key terms are comparable and are not materially different with similar transactions with non-related parties considering all the aspects of the transactions such as quality, realizations, other terms of the contract, etc. In case of contracts with related parties for specified period / quantity / services, it is possible that the terms of one-off comparable transaction with an unrelated party are at variance, during the validity of contract with related party. In case the Company is not doing similar transactions with any other non- related party, terms for similar transactions between other non-related parties of similar standing can be considered to establish 'arm's length basis'. Other methods prescribed for this purpose under any law can also be considered for establishing this principle.
- b) **Ordinary Course of Business:** Transactions with related parties will be considered in ordinary course if they are entered in pursuance of the business objective of the Company and necessary for Company's operations or related financial activities, including the fixed assets transactions and pursuant to the objects of the Company.
- c) **Materiality:** The materiality of any RPT will be ascertained as per the thresholds prescribed under the Act:

(i) **Materiality threshold under the Act**

A transaction with a related party shall be considered material if it exceeds threshold as prescribed under Section 188 of the Act read with Rules made thereunder or any subsequent amendment thereto.

- d) **Material Modification:** A modification to a RPT, which has previously been approved by the Board and / or the shareholders of Edme, shall be considered material, if the:

- value of the modification individually or taken together with modifications during a financial year, exceeds 10% of the original transaction as approved by the Board and / or the shareholders of Edme, as the case may be, whichever is lower.
- material terms of the contract resulting in novation of the contract, change in tenure of the contract, deferment of security / guarantee shall also be treated as a material modification of the transaction.

Policy

- a) The RPTs should be in conformity with the Act, and applicable Accounting Standards, as amended from time to time.
- b) All RPTs shall be entered on arms' length basis and in the ordinary course of business.
- c) Any RPT which is not in the ordinary course of business of the Company or not at arm's length basis, shall be effected only with prior approval of the Board of Directors of the Company..
- d) All RPTs specified in the Act which are not in the ordinary course of business of the Company or not at arms' length basis and exceed the thresholds laid down in the Act shall be placed before the shareholders' for their approval following approval by the Board.
- e) The Board may grant omnibus approval for RPTs which are repetitive in nature, provided that such approval shall remain valid for period not exceeding one year. Further, where the need

for RPTs cannot be foreseen and requisite details are not available, the Board may grant omnibus approval for such transactions provided that value of each such transaction shall not exceed ₹ 1 crore.

- f) All material modifications to a RPT, which has previously been approved by the Board or Audit Committee and / or the shareholders of Edme, as the case may be, shall be placed before the Board and / or the shareholders of Edme for prior approval.
- g) The RPTs which cross the materiality threshold as defined under the applicable Regulations and subsequent material modifications thereof, shall be entered by the Company only with the prior approval of the shareholders of the Company and no related party shall vote to approve, whether the Related Party is a party to a particular transaction or not.
- h) Subject to applicable laws, the Board of Directors shall have the power to ratify, revise or terminate the RPTs, which are not in accordance with this Policy.
- i) Any transaction that is specifically excluded from applicability of the related party provisions under the Act and shall not require a separate approval under this policy including, inter alia, all transactions between a wholly owned subsidiary ("WOS") of Edme, if any, whose accounts are consolidated with Edme and placed before the shareholders at the general meeting for approval. EDMEEDMEEDME
- j) All domestic RPTs shall, wherever applicable, comply with Domestic Transfer Pricing Requirement under 92BA of Income Tax Act, 1961 including certification from Independent accountants under the Transfer Pricing Regulations.
- k) All international RPTs shall comply with the International Transfer Pricing Requirement under Section 92B of Income Tax Act, 1961 including certification from Independent accountants under the Transfer Pricing Regulations.

Administrative Measures

The Company's management shall institute appropriate administrative measures to ensure that all RPTs entered into by the Company are in compliance with applicable laws and this Policy. All persons dealing with the related party(ies) shall, irrespective of their level, be responsible for compliance with this Policy. It is emphasized that the onus of disclosing any transaction as RPT shall lie with the individual entering into RPT or who has knowledge of a transaction that may constitute RPT. The detailed processes relating to implementation of this Policy, as may be approved by the Board from time to time, shall be followed by all concerned. The Internal Auditors of the Company shall review the RPTs entered into by the Company on a periodic basis and report their observations to the Board. The Company Secretary and Chief Financial Officer shall be responsible to maintain/update the list of related parties (as required by applicable laws) and provide the same to all concerned. It is the duty of all employees of the Company to ensure that they do not deal with related parties under any kind of influence or coercion. The cases involving any unwarranted pressure should be promptly reported as per mechanism provided under the Whistle Blower Policy of the Company.

Interpretation

In any circumstance where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule, regulation or

standard will take precedence over this Policy until such time as this Policy is changed to conform to the said law, rule, regulation or standard. In case of any clarification required with respect to this Policy, kindly contact the Company Secretary and Chief Financial Officer of the Company.

Disclosure

The Policy is available on the website of the Company i.e. www.edmeinsurance.com and a web link thereto shall be provided in the in the Annual Report of the Company.

Review

This Policy shall be reviewed by the Board of Directors at least once in every year or review to ensure compliance with legal and regulatory requirements including legislative compliance management systems.
