

## **VENUS PIPES & TUBES LIMITED**

### **POLICY FOR CONSIDERATION AND APPROVAL OF RELATED PARTY TRANSACTIONS**

[Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]  
**(Updated on February 05, 2026)**

## **POLICY FOR CONSIDERATION AND APPROVAL OF RELATED PARTY TRANSACTIONS**

### **1. PREAMBLE**

- 1.1** The Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI LODR Regulations**”) have laid down extensive requirements to be fulfilled in case of Related Party Transactions (*defined below*). Additionally, SEBI LODR Regulations specifies that the Company is required to formulate a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions including clear threshold limits duly approved by the Board of Directors and such policy shall be reviewed by the Board of Directors atleast once every three years and updated accordingly.
- 1.2** Therefore, the Board of Directors (the “**Board**”) of Venus Pipes & Tubes Limited (“**VENUS**” or “**the Company**”) at its meeting held on October 21, 2021 has adopted this Related Party Transaction Policy (“**Policy**”) in line with the requirements of Regulation 23 of SEBI LODR Regulations. This Policy was effective from October 21, 2021 (Original Adoption). This amended Policy shall be effective from February 05, 2026 (Amended Effective Date). Going forward, the Audit Committee shall review and amend the RPT Policy, as and when required, subject to approval of the Board.

### **2. OBJECTIVES OF THE POLICY**

- 2.1** The objective of this Policy is to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties in accordance with the Applicable Law (*defined below*).
- 2.2** The Board of Directors of the Company has adopted this Policy and the said Policy includes the materiality threshold(s) and the manner of dealing with Related Party Transactions (“**Policy**”) in compliance with the requirements of the Act and the Listing Regulations, as amended from time to time.

### **3. DEFINITIONS**

- i.** “**Act**” means the Companies Act, 2013 and the Rules prescribed thereunder (the “**Act**”).
- ii.** “**Applicable Law**” means the Act, SEBI LODR Regulations and includes any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions.
- iii.** “**Arm’s 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 as defined in explanation (b) to Section 188 (1) of the Act.
- iv.** “**Associate**” means a company as defined under Section 2(6) of the Act, or under applicable accounting standard”.
- v.** “**Audit Committee**” means the Audit Committee of the Board of Directors of the Company constituted under the provisions of the Act and SEBI LODR Regulations.

- vi. “**Director**” means a person as defined in Section 2(34) of the Act.
- vii. “**Key Managerial Personnel**” mean the officers of the Company as defined in Section 2(51) of the Act.
- viii. “**Employees**” mean the employees and office-bearers of the Company, including but not limited to Whole-Time Directors.
- ix. “**Material Related Party Transactions**” means a Related Party Transaction, whether entered into individually or taken together with previous transactions during a financial year, which exceeds the materiality thresholds prescribed under Schedule XII of the SEBI LODR Regulations, (replacing the earlier uniform threshold of ₹1,000 crore or 10% of turnover) based on the annual consolidated turnover of the Company as per its last audited financial statements, as detailed below:

**Schedule XII – Materiality Thresholds**

<b>Consolidated Turnover of Listed Entity</b>	<b>Threshold</b>
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹20,000 Crore to upto ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5000 Crores, whichever is lower.

- x. “**Ordinary Course of Business**” means all such acts and transactions undertaken by the Company in the normal routine to conduct its business operations and activities and includes all such activities which the Company can undertake as per the objects clause of the Memorandum of Association of the Company.
- xi. “**Relative**” shall have the meaning assigned to it in Section 2(77) of the Act and the Rules prescribed thereunder and SEBI LODR Regulations.
- xii. “**Related Party**” means related party as defined in Section 2(76) of the Act, and Regulation 2(1)(zb) of the SEBI LODR Regulations; or under the applicable Accounting Standards.
- xiii. “**Related Party Transactions**” means such transactions directly or indirectly involving any Related Party as specified under Section 2(76) read with Section 188 of the Act, or Rules prescribed thereunder and Regulation 2(1)(zc) of the SEBI LODR Regulations including any amendment or modification thereof, as may be applicable
- xiv. “**Senior Management**” means officers/personnel of the Company who are members of its core management team excluding Board of Director normally this shall comprise all members of management one level below the chief executive officer/Managing Director/Whole Time Director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

- xv. “**Subsidiary**” means a company as defined in Section 2(87) of the Act read with relevant Rules prescribed thereunder.
- xvi. “**SEBI Listing Regulations**” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modifications or re-enactments thereof for the time being in force (hereinafter referred to as “SEBI Listing Regulations”).

Any other capitalized term not defined herein shall have the same meaning as defined in the Act, the SEBI LODR Regulations, Securities Contracts (Regulation) Act, 1956/2013 or any other Applicable Law or Regulation in force.

#### **4. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS**

##### **4.1 Audit Committee Approval: -**

All Related Party Transactions shall require prior approval of the Audit Committee and while considering any transaction, the Committee shall take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company, or any other relevant matters.

##### **Approval Framework for Subsidiary Related Party Transaction**

(a) For related party transactions exceeding ₹1 crore of the Subsidiaries, prior Audit Committee approval shall be required only if the value of such transaction exceeds the lower of:

- i. 10% of the annual standalone turnover of the subsidiary as per its last audited financial statements; **or**
- ii. the applicable **Material Related Party Transaction threshold of the Company** as specified under Schedule XII of the SEBI LODR Regulations.

b) For **subsidiaries which do not have audited financial statements for at least one-year**, prior Audit Committee approval shall be required if the value of the Related Party Transaction exceeds the **lower of**:

- i. 10% of the paid-up share capital and securities premium of such subsidiary; **or**
- ii. the applicable materiality threshold of the Company under Schedule XII of the SEBI LODR Regulations.

**Prior approval of the Audit Committee of the Company shall not be required for the following:**

- (i) Related Party Transactions, where the listed subsidiary is a party, but the Company is not a party, and if Regulation 23 and Regulation 15(2) of SEBI Listing Regulations are applicable to such listed subsidiary.
- (ii) Related Party Transactions of unlisted subsidiaries of a listed subsidiary of the Company, where the prior approval of the audit committee of the listed subsidiary is obtained.
- (iii) transactions entered into between the Company and its wholly owned subsidiary/ies whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.
- (iv) transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

Remuneration and sitting fees paid by the listed entity 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 material in terms of Regulation 23 of the Listing Regulations.

Further, 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 Regulation 23 of the Listing Regulations and this policy;
- (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 Regulation 23 of the Listing Regulations;
- (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 Company against any loss incurred by it.

**However, the Company may obtain omnibus approval from the Audit Committee for all Related Party Transactions by the Company or its subsidiaries, subject to compliances with the conditions prescribed in paras (i) to (viii) below:**

(i) The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for granting the omnibus approval in line with the Policy and such approval shall include the following:

- (a) Maximum value of the transaction, in aggregate, which can be allowed under the omnibus route in a year;
- (b) The maximum value per transaction which can be allowed;
- (c) extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
- (d) review, at such intervals as the Audit Committee may deem fit, Related Party Transaction entered into by the Company pursuant to each omnibus approval made;
- (e) transactions which cannot be subject to the omnibus approval by the Audit Committee.

(ii) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:

- (a) repetitiveness of the transactions (in past or in future);
- (b) justification for the need of omnibus approval.

(iii) The Audit Committee shall satisfy itself regarding the need for such omnibus approval for transactions of repetitive nature and that such approval is in the interest of the Company.

(iv) The omnibus approval shall provide details of (a) the name/s of the related party and its relationship with the Company or its subsidiary, nature of transaction, period of transaction, maximum aggregated value of the particular type of transaction that can be entered into, (b) basis of arriving at the indicative base price / current contracted price and the formula for variation in the price if any and (c) such other conditions as the Audit Committee may deem fit.

Provided that where the need for Related Party Transactions cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per transaction.

(v) The Audit Committee shall review, at least on a quarterly basis, the aggregated value and other details of Related Party Transactions transacted into by the Company or its subsidiaries pursuant to the omnibus approval given.

(vi) Such omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after expiry of such financial year.

(vii) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

(viii) Any other conditions as the Audit Committee may deem fit.

A related party transaction entered into by the Company, which is not under the omnibus approval or otherwise not pre-approved by the Audit Committee, will be placed before the Audit Committee for ratification. The Audit Committee shall take into account all relevant facts and circumstances, including the terms and business purpose of such transaction, the benefits to the Company and to the related party along with other relevant matters, if any

**Audit Committee has defined material modifications as follows:**

Material Modifications of Related Party Transaction in relation to the Company means and includes any modification to an existing related party transaction having variance of 20% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be.

Any material modification to a related party transaction shall require prior approval of the same authority which approved the original transaction, including shareholders, wherever applicable.

**4.2 Board of Directors Approval: -**

- a) All Related Party Transactions that are beyond the prescribed limits as per Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time and being not in the ordinary course of business of the company and/or not on an arm's length basis, shall require approval of the Board.
- b) All Material Related Party Transactions, requiring the approval of the shareholders, shall also need to be approved by the Board.
- c) Such approval of Board may be obtained at a duly convened meeting only.

**4.3 Shareholder's Approval: -**

- a) All Related Party Transactions that are beyond the prescribed limits as per Companies (Meetings of Board & its Powers) Rules, 2014 and being not in the ordinary course of business of the Company and/ or not on an arm's length basis, shall require approval of shareholders through resolution (after due approval by the Board).
- b) All Material Related Party Transactions, shall require approval of shareholders through resolution (after due approval by the Board).

**4.3.1 Omnibus Approval by Shareholders: -**

- a) Omnibus approvals granted by shareholders for Material Related Party Transactions at an **Annual General Meeting** shall be valid **up to the date of the next Annual General Meeting**.
- b) Omnibus approvals granted at a **general meeting other than an Annual General Meeting** shall be valid for a period **not exceeding one year** from the date of such approval.

#### **4.4 General Points: -**

- a) All entities falling under the definition of Related Parties shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.
- b) Point No. 4.3 shall not be applicable for the following transactions: -
  - i. Transactions entered into between two Government Companies;
  - ii. 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;
  - iii. A resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016 (“**Insolvency Code**”), as amended.

Explanation: For the purpose of (i) above, "**Government Company**" shall have the same meaning as defined in Section 2(45) of the Companies Act, 2013."

In case, there is a material or substantial change in terms and conditions of existing Related Party Transaction, then it would be governed by this policy.

#### **5. DISCLOSURES**

- 5.1** The Company shall disclose, in the Board’s report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or not at arm’s length basis along with the justification for entering into such transaction.
- 5.2** The Company shall place all the information as specified by the Securities and Exchange Board of India from time to time for review of the Audit Committee for approval of the RPTs.
- 5.3** The Company shall provide all the information as specified by SEBI from time to time in the explanatory statement in the notice being sent to shareholders seeking approval of proposed RPTs.
- 5.4** The Company shall provide disclosure of the Related Party Transactions in the format as specified by the SEBI from time to time, to the stock exchanges and upload on company’s website, every six months.
- 5.5** The Company shall provide disclosure on ‘Loans and advances’ in the nature of loans to firms/companies in which directors are interested by name and amount’ in the Corporate Governance Report.

#### **6. LIMITATION**

- 6.1** In the event of any conflict between the provisions of this Policy and of the SEBI LODR Regulations/Act or any other statutory enactments, rules, then, the provisions of the Regulations / Companies Act, 2013 or other statutory enactments, rules, as the case may be shall prevail over this Policy and shall be adhered to accordingly by all concerned.

## **7. POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS**

**7.1** 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 exceed the threshold limits prescribed under the Schedule XII of the SEBI LODR Regulations, as amended from time to time and/or under Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014 of the Act as may be applicable to a particular Related Party Transaction.

### **7.2 Materiality Threshold for Related Party Transaction:**

Regulation 23 of the Listing Regulations requires a Company to provide materiality thresholds for transactions with its related party. In an event, a Related Party Transaction, breaches the materiality threshold, prior approval of the shareholders of the Company will be required through resolution.

Further, prior approval of shareholders shall also be required in case of any subsequent material modifications to such Related Party Transactions, in accordance with Regulation 23 of the Listing Regulations.

None of the related parties of the Company shall vote to approve on such resolution irrespective of whether the entity is a related party to the particular transaction or not (RP's can cast only negative vote to reject the shareholders resolution on material RPT).

Company has fixed the following materiality threshold for the purpose of Regulation 23(1), 23(1A), and 23(4) of the Listing Regulations:

- 1) Transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the thresholds specified in Schedule XII of Listing Regulations.
- 2) 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 Company as per the last audited financial statements of the Company.

## **8. MONITORING AND REPORTING**

**8.1** The annual report of the VENUS shall contain related party disclosures as specified in Act and as specified in Para A of Schedule V of SEBI LODR Regulations.

**8.2** The Policy shall also be disclosed on the website of VENUS for public information.

## **9. AMENDMENTS**

**9.1** This Policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly.

**9.2** Any or all provisions of this policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

**Summary of the approval and consideration/recommendation mechanism under the SEBI LODR Regulations and the Companies Act, 2013**

Details of Transaction(s)	Details of Transaction(s) Approving Authority
All Related Party Transactions and any subsequent modification.	Audit Committee
Related Party Transactions which are not in Ordinary Course of Business or not on arm's length basis or both (below materiality threshold limits).	<p>Recommendation by Audit Committee to the Board for approval.</p> <p>Approval by the Board</p>
<p>Material Related Party Transactions &amp; Related Party Transactions which are not in Ordinary Course of Business or not on arm's length basis or both (above threshold limit).</p> <p>Except the following:</p> <ul style="list-style-type: none"> <li>i. Transactions entered into between two public sector Companies;</li> <li>ii. 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;</li> <li>iii. A resolution plan approved under section 31 of the Insolvency Code, as amended.</li> </ul>	<p>Recommendation by Audit Committee to the Board for approval.</p> <p>Recommendation by the Board to Shareholders.</p> <p>Approval by the Shareholders.</p>