

**THE POLICY DISPLAYED WAS APPROVED BY THE ERSTWHILE BOARD OF DIRECTORS OF THE COMPANY IN ITS MEETING HELD ON 5<sup>TH</sup> DECEMBER 2024, T THIS POLICY HAS BEEN PUBLISHED ON THE WEBSITE OF THE COMPANY TO COMPLY WITH REGULATION 46 OF THE SEBI (LODR) REGULATIONS, 2015. THE BOARD OF THE COMPANY MAY MODIFY, ADD, DELETE OR AMEND ANY OF THE PROVISIONS OF THIS POLICY TIME TO TIME.**

**ICODEX PUBLISHING SOLUTIONS LIMITED**  
**Policy on Related Party Transactions**

**1. Introduction**

ICODEX PUBLISHING SOLUTIONS LIMITED, a company organized under the Laws of India with CIN No. U72900PN2018PLC176870 ("the Company") is a public Company within the meaning of Section 2(71) of the Companies Act, 2013 and is principally engaged in the business of Software or Product or Tool development, Publishers and Service Providers at all levels.

The Company may engage with Related Parties to leverage scale, size and drive operations synergies, to provide value added innovative products to its consumers while ensuring that the transactions with Related Parties are fully compliant with the provisions of the Companies Act 2013 and the Rules made thereunder, as amended, modified or supplemented from time to time (the "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, modified or supplemented from time to time ("Listing Regulations").

The Board of Directors (the "Board") of the Company on the recommendation of the Audit Committee had adopted a policy and procedure with regard to related party transactions in compliance with the applicable requirements of Section 188 of the Act read with the Rules prescribed thereunder and erstwhile Clause 49 of the Listing Agreement issued by the Securities and Exchange Board of India through its Circular No. CIR/CFD/POILCY CELL/7/2014 dated 15 September, 2014 and subsequent amendments thereto (herein after referred to as "Clause 49"), effective from 1 October, 2014 ("Original RPT Policy").

The Original RPT Policy was amended on the recommendation of the Audit Committee (having regard to the Listing Regulations and adopted by the Board and such amended RPT Policy became applicable to the Company from 6 February 2016 (hereinafter referred to as "the RPT Policy" or "this RPT Policy"). This RPT Policy is to regulate transactions between the Company and its Related Parties and covers all transactions entered I proposed to be entered into between the Company and Related Parties.

**2. Objective**

This RPT Policy is to set out (i) the materiality thresholds for related party transactions and; (ii) the manner of dealing with the transactions between the Company and its related parties based on the Act, Regulation 23 of the SEBI Listing Regulations and any other laws and regulations as may be applicable to the Company.

**APPLICABILITY AND GOVERNING LAW**

As mentioned above, this RPT Policy will be applicable to the Company with respect to all Related Party Transactions covered within the scope of Section 188 of the Act and the Rules thereunder and also by the Listing Regulations.

Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether

before or after the date hereof) from time to time and shall include any provisions of which there are re-enactments (whether with or without modification).

### 3. Definitions

All capitalized terms used which have not been defined in this RPT Policy shall have the meaning ascribed to them under (i) the Act, the Rules prescribed thereunder and/ or (ii) the Listing Regulations, as the case may be.

"Arm's Length" or "Arm's Length Basis" or "Arm's Length Transaction" means a transaction between two Related Parties (as defined herein below) that is conducted as if they were unrelated, so that there is no conflict of interest.

"Audit Committee" means the Audit Committee of the Board.

"Board of Directors" or "Board" means in relation to the Company the collective body of the Directors of the Company.

"Key Managerial Personnel", in relation to the Company, means-

- (i) the Chief Executive Officer or the Managing Director or the Manager; (ii) the Company Secretary;
- (ii) the Whole-Time Director;
- (iii) the Chief Financial Officer
- (iv) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (v) such other Officer as may be prescribed under the Act;

"Material Related Party Transaction" is a transaction with a Related Party which shall be considered material if the transaction(s) to be entered into individually or

taken together with previous transactions during a Financial Year exceeds the thresholds as prescribed under the Act and I or Listing Regulations.

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 two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the Company.

"RPT Policy" has the meaning set out in the Introduction set out herein above.

"Ordinary Course of Business" shall mean and include usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and all such activities which the Company can undertake as per its Memorandum of Association and Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

"Related Party" with reference to the Company, means a related party as defined under Section 2(76) of the Act, under applicable accounting standards and Regulation 2(1) (zb) of the Listing Regulations.

"Related Party Transaction" means related party transaction as defined under the provisions of the Act and 2 (I)(zc) of Listing Regulations.

"Relatives" means a relative as defined under Section 2(77) of the Act and 2 (I) (zd) of Listing Regulations.

"Rules" means such rules as may be notified by the Central Government for a ll or any of the matters which by the Act are required to be, or may be, prescribed or in respect of which provision is to be or may be made by rules, from time to time.

#### **4. Identification of Related Party Transactions**

Each Director and Key Managerial Personnel is responsible for providing a notice in the prescribed form (the "Notice") to the Company of any potential Related Party Transaction involving him/her or his/her Relative including any additional information about the transaction that may be relevant. The Board shall record the disclosure of interest and the Audit Committee will determine whether the transaction does in fact, constitute a Related Party Transaction requiring compliance with this RPT Policy. Such Notice shall be provided by each Director and Key Managerial Personnel at the beginning of every Financial Year on an annual basis and / or within thirty (30) days of the appointment / re-appointment of such a person.

Each Director and Key Managerial Personnel will also be responsible to update the

Company Secretary or an officer of the Company as designated by the Board of any changes in the above relationships, directorships, holdings, interests and /or controls immediately on him I her becoming aware of such changes.

Each Director and Key Managerial Personnel, Functional I Business heads will be responsible for providing prior notice to the Company Secretary or an officer of the Company as designated by the Board of any potential Related Party Transactions.

They will also be responsible for providing additional information about the transaction that may be relevant for the transaction being placed before the Audit Committee and the Boa rd.

The Audit Committee should consider and analyse potential Related Party Transactions, along with other designated officers of the Company and may refer any potential Related Party Transaction to any external transfer pricing expert, as may be appropriate, to determine whether the potential Related Party Transaction or relationship, constitutes a Related Party Transaction, whether the same is in the Ordinary Course of Business or whether the same is at Arm's Length or otherwise and that it is in compliance with this RPT Policy. The outcome or opinion of such exercise shall be considered by the Audit Committee I Board before taking decision on the Related Party Transaction. The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.

#### **5. Audit Committee Approval**

1. All Related Party Transactions shall require prior approval of the Audit Committee
2. The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company subject to the following conditions, namely-
  - (a) the Audit Committee shall lay down the criteria for granting the omnibus approval in line with the Company's RPT Policy and such approval shall be applicable in respect of transactions which are repetitive in nature;
  - (b) the Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company;
  - (c) the omnibus approval shall specify:

- (i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into;
- (ii) the indicative base price I current contracted price and the formula for variation in the price if any; and
- (iii) such other conditions as the Audit Committee may deem fit.

Provided that where the need for a Related Party Transaction cannot be foreseen and aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding such amount as may be prescribed under the provisions of the Act or Listing Regulations (Presently Rupees one crore (Rs. 1,00,00,000/-) per transaction). the Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given.

- (d) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

## **6. Role of Audit Committee in relation to Related Party Transactions**

- (i) The role of the Audit committee in relation to Related Party Transactions shall include the following:
  - a. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to disclosure of any related party transactions.
  - b. approval or any subsequent modification of transactions of the Company with related parties
- (ii) The Audit Committee shall mandatorily review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management of the Company.

## **7. Consideration by the Audit Committee in approving the proposed transactions**

Subject to compliance with what is stipulated in the Act, the Companies (Meetings of the Board and its Powers) Rules, 2014, the Listing Regulations and subject to provisions of this RPT Policy, the Audit Committee whilst considering any transaction, 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 and to the Related Party, and any other relevant matters.

Prior to the approval, the Audit Committee shall, subject to compliance with the Listing Regulations and this RPT Policy, inter-alia, consider the following factors to the extent relevant to the transaction;

- i. Whether the terms of the Related Party Transaction are in the Ordinary Course of Business of the Company, are fair and are on an Arm's Length Basis;
- ii. The business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any.
- iii. Whether the Related Party Transaction would affect the independence of an Independent Director
- iv. Whether the Related Party Transaction includes any potential reputational risks that may arise as a result of or in connection with the proposed transaction,
- v. Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed (having regard to the provisions contained in the Listing Regulations and the provisions of the Act) and would be detrimental to the Company, and
- vi. Whether the Related Party Transaction would affect the independence or present a conflict of the transaction, the overall financial position of the Director, Key Managerial Personnel or other Related Party, the direct or indirect nature of the Director's interest, Key Managerial Personnel's

or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Audit Committee deems relevant.

- vii. While considering the Arm's Length nature of the transaction, the Audit Committee shall take into account the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party. The Audit Committee shall, also take into consideration that subsequent events (i.e. events after the initial transactions have commenced) like evolving business strategies / short term commercial decisions to improve, sustain market share, changing market dynamics, local competitive scenario, economic / regulatory conditions affecting the global / domestic industry may impact profitability but may not have a bearing on the otherwise Arm's Length nature of the transaction

## **8. Related Party Transactions that shall not require approval**

Following transactions shall not require separate approval under this RPT Policy:

- (i) Transactions arising out of compromises, arrangements and amalgamations, dealt with under the specific provisions of the Act and the Rules prescribed thereunder; and
- (ii) ii Transactions between Holding Company and wholly owned Subsidiaries whose accounts are consolidated with such Holding Company and placed before the shareholders at the general meeting for approval.

## **9. Approval by circular resolution of the Audit Committee**

In the event the Management of the Company determines that it is impractical or undesirable to wait until a meeting of the Audit Committee to enter into a Related Party Transaction, such transaction may be approved by the Audit Committee by way of circular resolution in accordance with this RPT Policy and statutory provisions for the time being in force. Any such approval must be noted by the Audit Committee at its next scheduled meeting.

## **10. Approval by the board**

If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to consider or review any such matter or it is mandatory under any law for the Board to approve the Related Party Transaction (within the scope of Section 188 of the Act and the Rules prescribed thereunder and /or the Listing Regulations, which are either not in the Ordinary Course of Business or are not at Arm's Length Basis,) then the Board shall, subject to compliance with the provisions of the Act, the Rules prescribed thereunder and the Listing Regulations consider and approve such Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

Any Director, who is interested in any contract or arrangement with a Related Party shall not be present at the meeting during discussion on the subject matter of the resolution relating to such contract or arrangement.

## **11. Shareholders' approval requirements**

Shareholder's approval shall be sought in all cases as required under the provisions of Section 188 of the Act, the Rules prescribed thereunder or Regulation 23 of Listing Regulations.

For this purpose, all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

However, the requirement of shareholders' approval shall not be applicable for transactions entered into between the company and its wholly owned subsidiary whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval

## **12. Related Party Transactions not approved under this RPT policy**

Subject to compliance with the provisions of the Listing Regulations including Regulation 23 (2) of the Listing Regulations, in the event the Company becomes aware of a Related Party Transaction that has not been approved or ratified under this RPT Policy, the transaction shall in accordance with the provisions of the Act, and the Rules prescribed thereunder, and the provisions of the Listing Regulations, if any be placed within three (3) months from the date on which such contract or arrangement or transaction was entered into, before the Board or the Shareholders as may be required in accordance with this RPT Policy for review and ratification.

The Board or the Shareholders shall consider all relevant facts and circumstances in respect of such transactions and shall evaluate all options available to the Company, including but not limited to ratification (having regard to the provisions contained in the Listing Regulations, including Regulation 23 (2) thereof and the provisions of the Act), revision, or termination of such transaction.

In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation by the defaulting person (as may be decided by the Audit Committee) to the related party or the Company as the case may be, etc.

In connection with any review/approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

## **13. Disclosure and reporting of Related Party Transactions**

Every Related Party Transaction entered into by the Company shall be referred to and adequate disclosures shall be made in the (i) the Directors' Report about the particulars of contracts or arrangements with Related Parties referred to in sub-section(I) of Section 188 of the Act and the Rules prescribed thereunder, in the prescribed form thereunder along with the justification for entering into such transaction. (ii) in the annual report of the Company as stipulated in Regulation 53 read with Schedule V of the Listing Regulations, as per the form prescribed thereto. (iii) to the relevant stock exchange(s) on a quarterly basis within fifteen days from close of the quarter as provided in Regulation 27 (2) (b) of the Listing Regulations and (iv) on the website of the Company at [www.icodexsolutions.com](http://www.icodexsolutions.com) and a web link thereto shall be provided in the Annual Report of the Company. The Company Secretary shall also make necessary entries in the Register of Contracts required to be maintained under the Act and the Rules prescribed thereunder.

The Company shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

## **14. Scope of limitation**

In the event of any conflict between the provisions of this RPT Policy and the Act, the Rules prescribed thereunder and / or the Listing Regulations, as the case may be, the provisions of the Act and the Rules prescribed thereunder and / or the Listing Regulations, as the case may be, shall prevail over this RPT Policy.



### **15. Dissemination of RPT policy**

This RPT Policy shall be disseminated to all Directors, Key Managerial Personnel and other concerned employees of the Company. This RPT Policy shall be uploaded on the website of the Company at [www.icodexsolutions.com](http://www.icodexsolutions.com) and a web link thereto shall be provided in the Annual Report of the Company.

### **16. Consequences of contravention**

Any Director or any employee of the Company who had entered into or authorized a

Related Party Transaction in violation of the provisions of this RPT Policy shall be liable to punishments under the provisions of the Act and I or the Listing Regulations for recovery of any loss sustained by the Company as a result of such contract or arrangement or transaction.

### **17. Amendment**

The Board of the Company shall review this policy at least once every three years and may, on the recommendation of the Audit Committee, update and amend this RPT Policy from time to time.

Any or all provisions of this RPT Policy would be subject to revision I amendment in accordance with the Act and Listing Regulations. 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 RPT Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail over the provisions hereunder and this RPT Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.