Policy on Materiality and dealing with Related Party Transactions

Pursuant to Regulations 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(As approved by the Board of Directors as its meeting held on 07.05.2026)

I. Introduction:

This Policy shall be called the 'Policy' on Materiality of Related Party Transaction & Dealing with Related Party Transaction' of Dachepalli Publishers Limited (" Company").

This Policy has been framed in line with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and guidelines issued by MCA/SEBI from time to time. The Company in order to comply with the said Act & Regulations is committed to uphold the highest level of ethical and legal conduct in fulfilling its responsibilities. The Company recognizes that "Related Party Transaction" can present actual or perceived conflict of interest of the Director, Key Managerial Personnel etc. with the interest of the Company.

Accordingly, the Board in order to comply with the above Act & Regulations prevailing on this Policy date adopted this policy on the Materiality of Related Party Transaction and Dealing with Related Part Transaction (RPT Policy).

II. OBJECTIVE

The policy is intended to ensure the proper approvals and reporting of transaction between the Company and Related Party. This Policy shall supplement other polices of the Company that may be in force for identification, approval and/or reporting of transactions with related parties.

Based on this Policy and in terms of the requirements under the above provisions, the Audit Committee of the Company shall review and approve all Related Party Transaction. Any exception to this Policy should be consist with the provisions of the Companies Act, 2013 and Regulations 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall be approved by the Board of Directors.

III. APPLICABILITY:

This Policy covers transactions, including any contract or agreement or arrangements between the Company and its Related Party(ies). The Audit Committee/Board of Directors shall accord prior approval to all Related Party Transaction except to the transaction entered into between the Company and related party in ordinary course of business or on an arm's length basis.

IV. DEFNITIONS:

- "**Arm's length transaction**" means a transaction between two related parties, that is conducted as if they are unrelated, so that there is no conflict of interest as per the provisions of the Companies Act, 2013.

- "**Associate Company",** in relation to another company, means a Company in which that other Company has a significant influence, but which is not a subsidiary Company of the Company having such influence and includes a joint venture Company.
- **Explanation—For** the purpose of this clause, significant influence" means control of at least twenty percent of total voting power, or control of or participation in business decision under an agreement. Further, "Joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

- "**Audit Committee" means "Audit Committee**" of the Board of the Company constituted from time to time as per the provisions under section 177 of Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- "**Board of Directors or "Board**" means the Board of Directors of Dachepalli Publishers Limited.

- "**Control"** includes the right to appoint majority of the Directors or to control the Management or Policy decision exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or shareholding agreements or voting agreements or management rights or in any other manner.

- Provided that a Director or office of the Company shall not be considered to be in control over such Company, merely by virtue of holding such position.

- **"Material Related Party Transaction"—**A transaction with a related party shall be considered material, if the transaction to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees Fifty Crore or Ten per cent of the Annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

- **"Policy"** means Related Party Transactions Policy of Dachepalli Publishers Limited.

- **"Related Party—**An entity shall be considered as related to the Company if "(i) such entity is a related party as defined under Section 2(76) of the Companies Act, 2013; or (ii) such entity is a related party under the applicable accounting standards.

Provided that: (a) any person or entity forming a party of the promoter or promoter group of the listed entity; or
(b) any person or any entity, holding 20% or more of the equity share capital of the Company (10% or more with effect from April 1,2023), either directly or on a beneficial interest basis under Section 89 of the Companies Act,2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party.

Review and approval of Related Party Transactions:
Audit Committee:
As per Regulation 23(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all Related Party Transaction shall require prior approval of the Audit Committee.

The following details shall be provided to the Audit Committee for its approval:

I. The name of the related party and nature of relationship.
II. The nature duration of the contract and particulars of the contract or arrangement;

III. Type, material terms of the contract or arrangement including the value, if any;
IV. Any advance paid or received for the contract or arrangement , if any;
V. The manner of determining the pricing and other commercial terms, both include or part of contract and not considered as part of the contract;
VI. Value of the proposed transaction as a percentage of the annual consolidated turnover of the Company for immediately preceding financial year and for related party transaction involving a subsidiary, such percentage calculated on the basis of annual turnover of subsidiary on a standalone basis;
VII. If the transaction relates to any loan, inter-corporate deposits, advance or investments made or given by the listed entity or its subsidiary;
VIII. Justification as to why the RPT is in the interest of the listed entity;
IX. A copy of the valuation or other external party report, if any such report has been relied upon;
X. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
XI. Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and

Any other information relevant or important for the Audit Committee/Board to take a decision on the proposed transaction.

Omnibus Approval:

However, as per Regulation 23(3) of the SEBI (LODR) Regulations, 2015, the Audit Committee may grant omnibus approval for RPTs proposed to be entered into by the company subject to the following conditions:

The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions which are repetitive in nature.

The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the company.

Such omnibus approval shall specify the following:

1. Name of the related party;
2. Nature of Transaction;
3. Period of Transaction;

4. Maximum amount of Transaction that shall be entered into;
5. The indicative base price/current contracted price and the formula for variation in price, if any; and
6. Such other conditions as the Audit Committee may deem fit.

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

Review of Omnibus Approval: The details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given, shall be reviewed by the Audit Committee at least on a quarterly basis.

Board and Shareholders:

1. **As per the SEBI (LODR) Regulations, 2015:**
   As per Sub-Regulation (4) of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material Related Party Transactions and subsequent material modifications as defined by the Audit Committee under Regulation 23(2), shall require approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Transaction exempted for taking approvals of Audit Committee Board and Shareholders:

- Transaction entered into between two Government Companies;
- Transaction 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;

II. As per the Companies Act, 2013;

As per section 188(1) of the Companies Act, 2013 read with applicable rules to the Companies Act, 2013 prior approval of Board and/or shareholders is required for the following Related Party Transaction:

- Related Party Transaction which are not in the ordinary course of business or not on arm's length basis shall be entered with the prior approval of the Board of Directors given by a resolution at a meeting of the Board.

- Related Party Transaction which are not in the ordinary course of business or not on arm's length basis and are beyond the threshold limits as below shall be entered with prior approval of the shareholders.

REVIEW OF POLICY

The Audit Committee shall review this Policy from time to time but at least once in three years.

- Based on the recommendations of the Audit Committee, the Board may review or amend this Policy at any time without any prior intimation and lay down further rules or procedures, to give effect to this Policy.

- The adequacy of this Policy shall be reviewed and reassessed by the Committee periodically and at least once in three years and appropriate recommendations shall be made by the Audit Committee to the Board to update the Policy based on the changes that may be brought about due to any regulatory amendments or otherwise. The Policy on Materiality and dealing with Related Party Transaction was recommended by Audit Committee and thereon approved by the Board of Directors in its board meeting held on 7th May 2026.

VINOD KUMAR DACHEPALLI
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