POLICY ON RELATED PARTY TRANSACTIONS OF VIBRANT GLOBAL CAPITAL LIMITED

(Materiality of related party transactions and on dealing with related party transactions)

POLICY ON RELATED PARTY TRANSACTIONS

1. INTRODUCTION

The Board of Directors (the Board) of Vibrant Global Capital Limited (the Company), a Non-Banking Financial Company registered with the Reserve Bank of India (RBI) and listed on BSE Limited and the National Stock Exchange of India Limited, has adopted this Policy on Related Party Transactions (the Policy) on the recommendation of the Audit Committee. It sets out how transactions with Related Parties, including lending to Related Parties, are identified, approved, reviewed and disclosed.

The Policy is framed under:

(i) Sections 177, 184, 185, 188 and 189 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014;

(ii) Regulation 23 read with Schedule XII of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), together with the SEBI Master Circular on the Listing Regulations and the Industry Standards on Minimum Information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions;

(iii) Chapter IV, Section A – "Lending to Related Parties" of the Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025, as amended (the RBI Directions), and other applicable RBI directions on governance and disclosures in financial statements; and

(iv) Indian Accounting Standard (Ind AS) 24 – Related Party Disclosures,

each as amended from time to time. Chapter 7 of this Policy forms part of the Company's Board-approved Credit Policy for the purposes of the RBI Directions.

If, in any financial year, Regulation 23 of the Listing Regulations does not apply to the Company by virtue of Regulation 15(2) (paid-up equity share capital not exceeding ₹10 crore and net worth not exceeding ₹25 crore as on the last day of the previous financial year), the provisions of this Policy that flow from the Listing Regulations shall apply as a matter of good governance, and the provisions under the Act and the RBI Directions shall continue to apply in full. Where Regulation 23 becomes applicable, the Company shall comply with it within six months.

2. OBJECTIVE

The Policy aims to:

- ensure proper identification, approval, reporting and disclosure of all transactions between the Company or its subsidiaries and Related Parties;
- ensure that Related Party Transactions are in the interest of the Company and its shareholders, and are in the ordinary course of business and at arm's length, unless approved otherwise as required by law;

- lay down the materiality thresholds and the manner of dealing with Material Related Party Transactions, keeping in mind potential or actual conflicts of interest; and
- lay down additional safeguards for lending to Related Parties, as required by the RBI Directions, so as to address conflicts of interest, moral hazard and quid pro quo arrangements.

3. DEFINITIONS

3.1 "**Act**" means the Companies Act, 2013 and the rules made thereunder, as amended.

3.2 "**Arm's Length Transaction**" means a transaction between two related parties conducted as if they were unrelated, so that there is no conflict of interest.

3.3 "**Audit Committee**" means the Audit Committee of the Board constituted under Section 177 of the Act and Regulation 18 of the Listing Regulations.

3.4 "**Committee on Lending to Related Parties (RPL Committee)**" means the committee of the Board entrusted with sanctioning loans to Related Parties above the RBI Materiality Threshold. The Board may designate an existing committee for this purpose, other than the Audit Committee.

3.5 "**Contract or Arrangement**" has the meaning given in clauses (a) to (g) of Section 188(1) of the Act.

3.6 "**Control**" and **Promoter** have the meanings given in Sections 2(27) and 2(69) of the Act respectively.

3.7 "**Key Managerial Personnel (KMP)**" has the meaning given in Section 2(51) of the Act.

3.8 "**Lending**", in relation to a Related Party, means extending funded or non-fund-based credit facilities to a Related Party, and includes investment in debt instruments issued by a Related Party. It does not include investment in equity.

3.9 "**Material Modification**" means any modification to an approved Related Party Transaction that changes its value by 20% or more of the limit approved by the Audit Committee / Board / Shareholders, as the case may be, or that changes its tenure, pricing basis, counterparty or other key terms in a manner the Audit Committee considers material.

3.10 "**Ordinary Course of Business**" means transactions undertaken in the usual course of the Company's business, consistent with its objects in the Memorandum of Association, past practice and industry practice. The Audit Committee may lay down further principles for this purpose.

3.11 "**Related Party**" means a related party under any of the following, and includes:

(a) a related party as defined in Section 2(76) of the Act or the applicable accounting standards;

(b) a related party as defined in Regulation 2(1)(zb) of the Listing Regulations, including (i) any person or entity forming part of the promoter or promoter group of the Company, irrespective of shareholding; and (ii) any person or entity holding 10% or more of the equity shares of the Company, directly or on a beneficial interest basis under Section 89 of the Act, at any time during the immediately preceding financial year; and

(c) for the purposes of Chapter 7, a related party as defined in the RBI Directions, being a Related Person, or an entity in which a Related Person is a partner, manager, director, KMP or promoter; holds more than 10% of the paid-up equity; controls more than 20% of the voting rights; has control or the right to nominate a director; is accustomed to direct or instruct; is a guarantor or surety; or is a trustee, author or beneficiary of a private trust; together with the subsidiaries, holding company, associates and joint ventures of the Company, subject to the provisos in the RBI Directions.

3.12 "**Related Party Transaction (RPT)**" has the meaning given in Regulation 2(1)(zc) of the Listing Regulations: a transfer of resources, services or obligations between (i) the Company or any of its subsidiaries and a Related Party of the Company or any of its subsidiaries; or (ii) the Company or any of its subsidiaries and any other person, where the purpose and effect is to benefit a Related Party of the Company or any of its subsidiaries — regardless of whether a price is charged. A "transaction" includes a single transaction or a group of transactions in a contract. Lending to a Related Party is an RPT. The following are not RPTs:

(i) issue of specified securities on a preferential basis, in compliance with the SEBI (ICDR) Regulations, 2018;

(ii) corporate actions uniformly applicable to all shareholders in proportion to their holding: dividend, sub-division or consolidation of securities, rights or bonus issue, and buy-back;

(iii) retail purchases from the Company or its subsidiary by its directors or KMP, or their relatives, without establishing a business relationship and at terms uniformly applicable or offered to all;

(iv) any other transaction specified by SEBI from time to time.

3.13 "**Related Person**" means a promoter, director or KMP of the Company and their relatives; any person holding more than 5% of the paid-up equity share capital of the Company or able to exercise more than 5% of its voting rights;

any person entitled, under an agreement, to nominate a director on the Board; and any person who controls the Company, alone or jointly.

3.14 "**RBI Materiality Threshold**" means the threshold for lending to Related Parties fixed under clause 4.4.

3.15 "**Relative**" has the meaning given in Section 2(77) of the Act read with Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014.

3.16 "**Senior Management**" has the meaning given in Regulation 16(1)(d) of the Listing Regulations.

3.17 "**Specified Employees**" means all employees of the Company up to two levels below the Board, and such other employees as the Board may designate from time to time.

Terms not defined here have the meaning given in the Act, the Listing Regulations, the Reserve Bank of India Act, 1934, the RBI Directions or other applicable law.

4. MATERIALITY THRESHOLDS

4.1 **Material Related Party Transaction.** Regulation 23 of the SEBI Listing Regulations requires a company to provide materiality thresholds for transactions with Related Parties beyond which approval of the shareholders by resolution is required, and no Related Party shall vote to approve such resolution, whether the entity is a related party to the particular transaction or not. The Company has fixed its materiality threshold at 10% of the annual consolidated turnover of the Company as per its last audited financial statements, being the threshold applicable to the Company under Schedule XII of the SEBI Listing Regulations, for the purpose of Regulation 23(4) of the SEBI Listing Regulations. A transaction with a Related Party shall be material if, individually or taken together with previous transactions during a financial year, it exceeds this threshold.

4.2 **Brand usage or royalty.** A transaction involving payments to a Related Party for brand usage or royalty is material if, individually or together with previous transactions during a financial year, it exceeds 5% of the annual consolidated turnover of the Company as per its last audited financial statements.

4.3 **Subsidiary transactions requiring the Company's Audit Committee approval.** An RPT to which a subsidiary of the Company is a party but the Company is not, and whose value exceeds ₹1 crore, requires prior approval of the Company's Audit Committee if its value, individually or together with previous transactions during a financial year, exceeds the lower of:

1. 10% of the subsidiary's annual standalone turnover as per its last audited financial statements; or

2. the Company's materiality threshold under clause 4.1.

Where the subsidiary does not have audited financial statements for at least one financial year, the reference in (1) shall be to 10% of the aggregate of its paid-up share capital and securities premium account, computed as on a date not more than three months before seeking Audit Committee approval.

4.4 **RBI Materiality Threshold for lending to Related Parties.** The materiality threshold for each loan to a Related Party, including personal loans to directors and KMP, shall be **₹1 crore per transaction**, being the ceiling prescribed by the RBI Directions for an NBFC in the Base Layer. If the Company is classified in the Middle Layer on the basis of its last audited balance sheet, the Board shall revise this threshold to an amount not exceeding ₹5 crore (₹10 crore for the Upper Layer). The Board may prescribe lower thresholds for different categories of loans or borrowers.

5. IDENTIFICATION OF RELATED PARTIES AND RPTS

5.1 The Company Secretary shall maintain and update, at least once every quarter and on every change reported, the following:

(a) the list of Related Parties of the Company and its subsidiaries, and the list of Related Persons and Related Parties under the RBI Directions, capturing direct and indirect linkages;

(b) the list of loans and credit facilities sanctioned to Related Parties;

(c) the list of Specified Employees and their relatives, and credit facilities extended to them; and

(d) the register of contracts and arrangements in which directors are interested under Section 189 of the Act.

5.2 The lists shall be prepared from disclosures received from directors and KMP under Section 184 of the Act (Form MBP-1), and declarations from promoters, persons holding more than 5% of the equity and Specified Employees, and from other available information. The lists shall be shared with the credit, finance, operations and compliance teams, who shall check them before entering into any transaction.

5.3 Every director, KMP and functional head shall inform the Company Secretary in advance of any proposed transaction with a Related Party. The Company Secretary, with the finance team, shall assess whether it is an RPT, whether it is in the ordinary course of business and at arm's length, whether it is material, and whether it is lending to a Related Party under the RBI Directions. External expert opinion may be obtained where necessary. Where there is doubt, the matter shall be referred to the Audit Committee.

6. APPROVAL OF RELATED PARTY TRANSACTIONS

6.1 Audit Committee

1. All RPTs and subsequent Material Modifications require prior approval of the Audit Committee. Only the members of the Audit Committee who are independent directors shall approve RPTs.
2. RPTs of subsidiaries require prior approval of the Audit Committee where clause 4.3 applies.
3. Remuneration and sitting fees paid by the Company or its subsidiary to a director, KMP or Senior Management, other than a person forming part of the promoter or promoter group, do not require Audit Committee approval, provided they are not material.
4. Proposals placed before the Audit Committee shall contain the minimum information specified in the SEBI Industry Standards on Minimum Information for approval of RPTs, as applicable to the nature and value of the transaction. For loans, advances and investments, this includes the source of funds, tenure, interest rate, security, end-use and the applicable exposure limits.
5. Approval of the Audit Committee for lending to a Related Party is in addition to the sanction required under Chapter 7.

Ratification. The independent director members of the Audit Committee may ratify an RPT within three months of the transaction, or at the next Audit Committee meeting, whichever is earlier, subject to:

- the value of ratified transaction(s) with a Related Party, individually or taken together, in a financial year not exceeding ₹1 crore;
- the transaction not being a Material Related Party Transaction;
- the reason for not seeking prior approval being placed before the Audit Committee;
- details of the ratification being disclosed with the half-yearly RPT disclosures under Regulation 23(9); and
- any other condition the Audit Committee may specify.

Failure to obtain ratification renders the transaction voidable at the option of the Audit Committee. If the transaction is with a party related to a director, or was authorised by a director, that director shall indemnify the Company against any loss incurred. Ratification shall not be available for a loan to a Related Party above the RBI Materiality Threshold, which requires prior sanction under clause 7.3.

6.2 Omnibus approval by the Audit Committee

The Audit Committee may grant omnibus approval for RPTs of the Company or its subsidiaries that are repetitive in nature, subject to:

1. criteria laid down by the Audit Committee with Board approval, including the maximum aggregate value per year, the maximum value per transaction, the extent and manner of disclosures at the time of seeking approval, the review intervals, and the transactions excluded from the omnibus route;
2. the Audit Committee being satisfied about the need for such approval and that it is in the Company's interest;
3. the approval specifying the Related Party, nature and period of transaction, maximum aggregate value, the indicative base price or current contracted price and the formula for price variation, and any other conditions. Where the need cannot be foreseen and these details are not available, omnibus approval may be granted for transactions up to ₹1 crore per transaction;
4. a review by the Audit Committee, at least quarterly, of the RPTs entered into under each omnibus approval;
5. validity of not more than one financial year; fresh approval is required thereafter.

Omnibus approval shall not be granted for: transactions not in the ordinary course of business or not at arm's length; non-repetitive transactions; transactions exceeding the materiality threshold in clause 4.1; loans to a Related Party above the RBI Materiality Threshold; sale or disposal of an undertaking of the Company; and any other transaction the Audit Committee considers unsuitable.

6.3 Board of Directors

The following RPTs shall be placed before the Board:

- transactions covered by Section 188(1) of the Act that are not in the ordinary course of business or not at arm's length;
- transactions the Audit Committee cannot determine to be in the ordinary course of business and at arm's length, and refers to the Board;
- loans to Related Parties above the RBI Materiality Threshold, unless sanctioned by the RPL Committee under clause 7.3;
- transactions that the Audit Committee or this Policy requires to be approved by the Board; and

- Material RPTs and Material Modifications proposed to be placed before shareholders.

6.4 Shareholders

1. All Material RPTs and their subsequent Material Modifications require prior approval of shareholders by ordinary resolution. No Related Party of the Company shall vote to approve such resolution, whether or not it is a party to the transaction.
2. Transactions under Section 188(1) of the Act that are not in the ordinary course of business or not at arm's length require prior approval of shareholders by ordinary resolution where they exceed the limits in Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, namely: (a) sale, purchase or supply of goods or materials – 10% of turnover; (b) selling or otherwise disposing of, or buying, property of any kind – 10% of net worth; (c) leasing of property of any kind – 10% of turnover; (d) availing or rendering of services – 10% of turnover; (e) appointment of an agent for purchase or sale of goods, materials, services or property – 10% of turnover; (f) appointment to an office or place of profit – monthly remuneration exceeding ₹2.5 lakh; and (g) remuneration for underwriting of securities or derivatives – exceeding 1% of net worth; in each case as per the last audited financial statements, whether individually or taken together with previous transactions during a financial year. No member who is a Related Party shall vote on such resolution in respect of that transaction.
3. The explanatory statement shall contain the information required by Section 102 of the Act, Regulation 23(4), the SEBI Master Circular and the Industry Standards.
4. **Validity of omnibus shareholder approval.** An omnibus approval for Material RPTs granted at an Annual General Meeting is valid up to the next Annual General Meeting, held within the timelines under the Act. One granted at any other general meeting (including by postal ballot) is valid for not more than one year.

6.5 Exemptions from Audit Committee and shareholder approval

The approvals in clauses 6.1, 6.2 and 6.4 (as provided in Regulation 23(5)) do not apply to:

- transactions 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;

- transactions 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;
- any other transactions exempted under Regulation 23(5) from time to time.

Under the fifth proviso to Section 188(1) of the Act, Board and shareholder approval under Section 188 is likewise not required for transactions 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.

These exemptions do not apply to the requirements of Chapter 7 for lending by the Company to a Related Party, including a subsidiary.

6.6 Transactions not requiring separate approval under this Policy

- appointment and remuneration of directors and KMP already approved by the Nomination and Remuneration Committee or the Board, subject to clause 6.1(3);
- investments and guarantees approved by the Board under specific provisions of the Act (such as Sections 179 and 186), to the extent permitted by law. This exclusion does not apply to lending to Related Parties, which shall in all cases follow Chapter 7, nor to any loan, guarantee or security covered by Section 185 of the Act;
- payment of dividend;
- contribution to Corporate Social Responsibility, approved by the CSR Committee within limits approved by the Board.

6.7 Recusal

A director, KMP or Specified Employee who is interested in a transaction, directly or through a Related Party, shall not be present during, or take part in, the deliberation or decision on it. For loans and contracts or arrangements involving such person or their Related Parties, this applies equally to any subsequent material change, including one-time settlement, write-off, waiver, enforcement of security or implementation of a resolution plan. An interested director shall disclose the nature of interest under Section 184 of the Act and shall not be counted for quorum on that item.

6.8 Transactions entered into without approval

If the Company becomes aware of an RPT entered into without approval under this Policy, it shall be placed before the Audit Committee. The Audit Committee shall consider all relevant facts and may ratify (within the limits of clause 6.1), revise or terminate the transaction, or seek shareholder approval. It shall also examine why the transaction was not reported and any failure of

internal controls, and may direct such action as it considers appropriate, including compensation by the defaulting person. A contract or arrangement under Section 188 entered into by a director or employee without the required approval, and not ratified by the Board or shareholders, as applicable, within three months, shall be voidable at the option of the Board.

7. LENDING TO RELATED PARTIES

7.1 **Responsibility of the Board.** The Board has overall responsibility for ensuring that suitable mechanisms are in place to implement this Chapter.

7.2 **Exposure limits.** Lending to Related Parties shall be within the aggregate limit, and the sub-limits for a single Related Party and for a group of Related Parties, approved by the Board from time to time, which shall in all cases be within the prudential exposure limits prescribed by the RBI.

7.3 **Sanction.**

1. Loans to a Related Party **above** the RBI Materiality Threshold shall be sanctioned only by the Board or by the RPL Committee.
2. Loans to a Related Party **up to** the RBI Materiality Threshold may be sanctioned by officers under the powers delegated to them in the Credit Policy, and shall be reported to the RPL Committee or the Board periodically.
3. Every such loan shall also be approved by the Audit Committee as an RPT under Chapter 6.

7.4 **Safeguards.** In addition to the normal credit appraisal under the Credit Policy:

1. the interest rate, fees, tenure, security, margin and other terms shall not be more favourable than those offered to comparable unrelated borrowers of similar risk;
2. appraisal, documentation, collateral valuation and monitoring shall follow the same standards as for unrelated borrowers, and the pricing benchmarks, valuations and conflict-of-interest declarations shall be kept on the credit file;
3. no loan, guarantee or security shall be given to any director or any person in whom a director is interested in contravention of Section 185 of the Act; and
4. any renewal, restructuring, settlement, write-off or waiver of a loan to a Related Party shall be approved by the authority competent to sanction the loan, after recusal under clause 6.7.

7.5 **Specified Employees.** Credit facilities to Specified Employees and their relatives shall be governed by the specific provisions of the Credit Policy for such lending, and shall be reported to the Board annually.

7.6 **Quid pro quo and circumvention.** The Company shall not enter into reciprocal or quid pro quo lending arrangements. Any product, entity or structure created to circumvent the RBI Directions, including reciprocal lending, shall be treated as lending to a Related Party.

7.7 **Existing loans.** Loans and limits to Related Parties sanctioned before 1 April 2026 that do not conform to this Chapter may continue until their maturity. They shall not be renewed or reviewed on expiry, on the same or different terms, even if the contract permits renewal, and existing limits shall not be enhanced unless they comply with this Chapter.

7.8 **Consequences.** Non-compliance with or circumvention of the RBI Directions may attract supervisory and enforcement action by the RBI, including monetary penalties, full provisioning, staff accountability, forensic audit and business restrictions.

8. MONITORING, REPORTING AND DISCLOSURES

1. The Company shall submit disclosures of RPTs on a consolidated basis to the stock exchanges every six months, on the date of publication of its standalone and consolidated financial results for the half year, in the format specified by SEBI, and publish them on its website.
2. This Policy shall be hosted on the Company's website and a web link to it shall be given in the Annual Report.
3. Particulars of contracts or arrangements with Related Parties referred to in Section 188(1) of the Act shall be disclosed in the Board's Report in Form AOC-2, with justification for entering into them.
4. RPTs shall be disclosed in the financial statements as required by Ind AS 24 and the disclosure requirements prescribed by the RBI for NBFCs, and in the Annual Report as required by the Listing Regulations.
5. Remuneration and sitting fees paid to directors, KMP or Senior Management (other than promoter or promoter group) need not be disclosed under Regulation 23(9), provided they are not material.
6. The Company Secretary shall maintain the register of contracts and arrangements in which directors are interested under Section 189 of the Act.
7. The internal auditor shall review compliance with Chapter 7 at least once every quarter and report to the Audit Committee.
8. Any deviation from this Policy in respect of lending to Related Parties, with reasons, shall be reported to the Audit Committee.

9. The Company shall file such returns on lending to Related Parties with the RBI as may be prescribed.
10. Records of approvals, declarations and supporting documents for RPTs shall be preserved for at least eight years, or such longer period as required by law.

9. WHISTLE-BLOWING

Under the Company's Vigil Mechanism / Whistle Blower Policy, employees may raise concerns about irregular or questionable RPTs, including loans to Related Parties, in confidence and without fear of reprisal.

10. REVIEW AND AMENDMENT

The Audit Committee shall review this Policy and may recommend amendments to the Board. The Board shall review the Policy at least once every three years. Any amendment to the Act, the Listing Regulations, the RBI Directions or any circular issued by SEBI or the RBI that is inconsistent with this Policy shall prevail, and this Policy shall stand amended accordingly from the effective date of such amendment.

11. COMPLIANCE RESPONSIBILITY

The Company Secretary and Compliance Officer shall be responsible for compliance with this Policy, and may call for any information or clarification from the management for that purpose.