POLICY ON RELATED PARTY TRANSACTIONS

Effective date	May 14, 2026

Last Amendment		
Effective Date	**Board Meeting Dates**	**Reason for change**
February 14, 2022	February 14, 2022	Revision in policy (as per recent amendments in SEBI (LODR)
Current Amendment		
May 14, 2026	May 14, 2026	a) Amendment in SEBI (LODR) Regulations, 2015 b) SEBI Circular no. SEBI/HO/CFD/CFD-PoD2/P/CIR/2025/135 dated October 13, 2025

1. Preamble

Centum Electronics Limited (the "Company") recognizes that certain relationships can present potential or actual conflicts of interest and may raise questions about whether the transactions associated with such relationship are consistent with Company's and its stakeholders' best interests.

Hence in those cases, the Company should specifically ensure that such related party transactions (as defined in this document) are managed and disclosed in accordance with the strict legal and accounting requirements.

Therefore this policy regarding the Related Party Transactions has been reviewed and adopted by the Board of Directors (the "Board") of the Company, as a part of its corporate governance practice.

This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable on the Company

2. Purpose

This policy is framed as per the requirements of Regulation 23 read with 2(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions Companies Act, 2013 ("Act") read with the Rules framed there under and It is intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

3. Definitions

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

"**Audit Committee or Committee**" means Committee of Board of Directors of the Company constituted under provisions of SEBI Listing Regulations, 2015 and Companies Act, 2013.

"**Board**" means Board of Directors of the Company

"**Control**" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.

"Industry Standards" shall mean the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" as notified by SEBI vide its circular dated June 26, 2025, and subsequently as amended from time to time.

"**Key Managerial Personnel**" shall have the meaning as defined under Regulation 2(1)(o) of the SEBI Listing Regulations read with Section 2(51) of the Companies Act, 2013, each as amended from time to time and includes any person so authorized and designated by the Board of Directors of the Company as KMP in compliance with the provisions of Regulations 2(1)(o) and 6 of the SEBI Listing Regulations and Section 2(51) read with Section 203 of the Act.

"**Material Related Party Transaction**" means a transaction with a Related Party if 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 the SEBI Listing Regulations which is provided below:

Consolidated Turnover of Listed Entity Threshold	Threshold
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹20,000 Crore to up to ₹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 ₹5,000 Crore, whichever is lower

Note: Consolidated Turnover for the purpose of the abovementioned table shall be taken as audited consolidated turnover as on immediately preceding financial year.

In case of transaction involving payment to a Related Party for brand usage or royalty, it will be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

"**Material Modification**" shall mean and include any modification to an existing Related Party Transaction having variance of 20% or more of the transaction value as approved by the Audit Committee/Board/shareholders as the case may be.

"Ordinary course of business" means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per its Memorandum & Articles of Association.

"**Policy**" means Related Party Transaction Policy.

"**Related Party**" means a related party as defined under sub section 76 of section 2 of Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standards, as amended from time to time.

"**Related Party Transaction**" as per regulation 2(1)(zc) of SEBI LODR Regulation means a transaction involving a transfer of resources, services or obligations between:

(i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
(ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023;
regardless of whether a price is charged and a transaction with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that the following shall not be a related party transaction:

(a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(b) the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

i. payment of dividend;
ii. subdivision or consolidation of securities;
iii. issuance of securities by way of a rights issue or a bonus issue; and
iv. buy-back of securities.

(c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:

(d) acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:

(e) retail purchases from any listed entity or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors .

Related party transactions as per Section 188 of the CA 2013 means any transaction between a Company and its related party relating to:

a. Sale, purchase or supply of any goods or materials;
b. Selling or otherwise disposing of, or buying property of any kind;
c. Leasing of property of any kind;
d. Availing or rendering of any services;
e. Appointment of any agent for the purchase or sale of goods, materials, services or property;
f. Such related party's appointment to any office or place of profit in the Company, its subsidiary

Company or associate Company;
g. Underwriting the subscription of any securities or derivatives thereof, of the Company.

"**Relative**" means relative as defined under sub-section (77) of Section 2 of the Companies Act, 2013 and rules prescribed there under.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereof, Indian Accounting Standards; and or any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions.

4. Identification of Potential Related Party Transactions

Each director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

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. Review and Approval process

Related Party Transactions will be referred to the next regularly scheduled meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, 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. In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- ✓ Whether the terms of the Related Party Transaction are in the ordinary course of business and on arms length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;

- ✓ Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;

- ✓ Whether the Related Party Transaction would affect the independence of an independent director;

- ✓ Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;

- ✓ 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 and would be detrimental to the Company; and

- ✓ Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, 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 Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then 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.

6. Approval Framework for Related Party Transactions

6.1 Approval of Audit Committee:

All Related Party Transactions and any subsequent material modifications thereto shall require prior approval of the Audit Committee of the Company.

Provided that only those members of the audit committee who are independent Director shall approve related party transactions.

Provided further that: a) any related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the audit committee of the Company, if the value of such transaction, exceeds the lower of the following:

- 10 % of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- the threshold for material related party transactions of the Company

b) In case such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the Company shall be required if the value of such transaction exceeds the lower of the following:

- 10% of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
- the threshold for material related party transactions of listed entity

c) prior approval of the audit committee of the Company shall not be required for a related party transaction to which the listed subsidiary is a party but the Company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements Regulations, 2015) these regulations are applicable to such listed subsidiary

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (c) above, the prior approval of the audit committee of the listed subsidiary shall suffice

d) remuneration and sitting fees paid by the Company 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 are not material.

6.2 Omnibus Approval by Audit Committee:

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company and/or its subsidiaries subject to the following conditions:

a. The audit committee shall lay down the criteria for granting the omnibus approval and such approval is in line with the 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. Such omnibus approval shall specify/ contain /indicate clearly the following:
i. the name(s) of the related party, nature of transaction, duration/period of transaction, maximum amount of transactions that shall be entered into,
ii. the indicative base price / 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 related party transaction cannot be foreseen and aforesaid details are not available, audit committee may grant omnibus approval for such transactions subject to their value not exceeding rupees 1(one) Crore per transaction.

d. Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company and/or its subsidiary pursuant to each of the omnibus approval given.

e. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of such one year.

f. Related Party Transactions, approved by the Audit Committee under its omnibus approval, will be placed before the Board for noting.

Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company. For transaction, other than transactions referred to in section 188 of Companies Act, 2013 where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

6.3 Prior approval of Audit Committee shall not be required in following cases:

a. 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.
b. 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.
c. transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.

6.4 Approval of Board of Directors of the Company:

If the transactions with the related parties are in the ordinary course of business and at arm's length, approval of Board of Directors of the Company will not be required; nevertheless, every such contract or arrangement in respect of related party transactions shall be referred to in the Board's report to the shareholders along with justification for entering into such contract or arrangement.

However, if any of the transactions is not in the ordinary course of business or is in the ordinary course of business but not at arm's length or is a Material Related Party Transaction, then approval of the Board of Directors will be required by way of resolution passed at a meeting of the Board (and shareholders as the case may be) and also subject to the following conditions:

The agenda of the board meeting at which the resolution for approval of a related party transaction is proposed to be moved shall disclose:

a. the name of the Related Party and the nature of relationship;
b. the nature, duration of the contract and particulars of the contract or arrangement;
c. the material terms of the contract or arrangement including the monetary value, if any;
d. any advance paid or received for the contract or arrangement, if any;
e. the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
f. 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
g. any other information relevant or important for the board to take a decision on the proposed transaction.

Where any director is interested in the related party transaction, such director shall not be present at the meeting during discussions on and shall not participate in, decision making process relating to the resolution relating to such contract or arrangement.

6.5 Approval of the Shareholders of the Company:

All Material Related Party Transactions and any subsequent material modifications as defined by the audit committee will require prior approval of the shareholders of the Company by way of a resolution. No related party shall vote to approve such resolutions, whether the entity is a related party to the particular transaction or not.

Prior approval of the shareholders of the Company shall not be required for a related party transaction to which the listed subsidiary is a party but the Company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements Regulations, 2015) these regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall be sufficient.

The omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Companies Act, 2013 or rules, notifications, or circulars issued thereunder from time to time.

Further, in case of omnibus approvals for material related party transactions, granted by shareholders in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

However, Shareholders approval shall not be required in following cases –

a) 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
b) transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the Company's shareholders at the general meeting for approval.

If the transactions that are not in the ordinary course of business of the Company or which are in the ordinary course of business but not at arm's length value exceeds specified limits defined in the Companies Act, 2013 shall require prior approval of the shareholders of the Company by way of a resolution.

No member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

6.6 Related Party Transactions - not in line with this Policy (Ratification):

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
(ii) 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(9) of SEBI 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.

Where any Related party transaction or Material Related Party transaction is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on such transaction, it shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the transaction is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

Further, for every RPT, a certificate from the Chief Executive Officer (CEO)/Managing Director/Whole Time Director/Manager and Chief Financial Officer (CFO) of the Company shall be placed before the Audit Committee, confirming that the terms of RPTs proposed to be entered into are in the interest of the Company.

7. Approval by Circular Resolution of the Committee

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

Additional Disclosures under RPT Industry Standards and SEBI Circulars for Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions.

a. The Company shall provide the audit committee with all information as specified in the Industry Standards on "RPT Industry Standards", while placing any proposal for review and approval of a Related Party Transaction.

b. Provided that if a transaction with a related party, whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification), do not exceed 1% of annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity or Rupees Ten Crore, whichever is lower, the listed entity shall provide ' disclosures as per SEBI Circular No.: SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/135 dated Oct 13, 2025. ("SEBI Circular dated October 13, 2025")

c. Provided further that the above requirements, shall not be applicable to transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year (including which are approved by way of ratification) which does not exceed Rs. 1 Crore.

8. Limitation

In the event of any conflict between the provisions of this Policy and of the Listing Regulations/Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Regulations / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

9. Dissemination of Policy

This Policy will be communicated to all operational employees and other concerned persons of the Company and shall be hosted on the intranet and website of the Company and web link thereto shall be provided in the annual report of the Company as applicable from time to time.

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