Delton
We Connect We Protect

Delton Cables Limited

Policy on Materiality and Dealing with Related Party Transactions

I. PURPOSE

This policy aims to determine the materiality of Related Party Transactions ('RPTs') and to deal with RPTs of Delton Cables Limited ('the Company').

This policy is prepared in accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended, Section 177 and 188 of the Companies Act, 2013 ('the Act') read with the Rules made thereunder.

II. DEFINITIONS

1. 'Related Party' and 'Related Party Transactions' shall have the meanings ascribed to them under the Act, and the Listing Regulations.
2. Modification of a Related Party Transaction shall be considered as 'Material', if value of the modification exceeds 10% of the transaction value approved by the Committee.

Any other term not defined herein shall have the same meaning as defined in the Act, Listing Regulations, or any other applicable law or regulation.

III. APPROVALS, RATIFICATIONS AND REVIEW OF TRANSACTIONS

All RPTs in which the Company is a party and any modification/ renewal thereof shall require prior approval of the Audit Committee ('the Committee'). Also, material modifications in the RPTs in which the Company is not a party but a subsidiary of the Company is a party shall require prior approval of the Committee.

Further, only the Members of the Committee who are Independent Directors shall approve RPTs.

a) The Committee shall grant omnibus approval for RPTs proposed to be entered into by the Company, subject to the following conditions:
   (i) The proposed RPTs are repetitive in nature and the Committee is satisfied that such omnibus approval is in the interest of the Company.
   (ii) Omnibus approval shall be granted for RPTs based on the budgeted no. every financial year.
   (iii) RPTs which cannot be foreseen and where the details prescribed in the criteria for seeking omnibus approval are not available, the Committee may grant omnibus approval upto Rs. 1 crore per transaction.

b) The Committee shall prescribe the following:
   a. Disclosures to be made to the Committee at the time of seeking approval for the proposed RPTs which shall be aligned to the format prescribed under the applicable laws including the information provided in the Industry Standards read with circulars issued in this regard from time to time;
   b. Periodicity of review of RPTs entered into by the Company pursuant to the omnibus approval;
   c. Transactions which shall not be allowed under the omnibus approval route as mentioned in clause d);
   d. Period of validity of omnibus approval which shall not exceed one financial year.

c) Every RPT which is 'Material and subsequent material modifications' as defined in Para II and IV of this Policy, shall require prior approval of the shareholders.

   Omnibus approvals for material related party transactions granted in an Annual General Meeting ('AGM') remain valid until the next AGM held within timelines prescribed under Section 96 of the Act, while those granted in other general meetings shall be valid for maximum one year from the date of such approval.

d) All RPTs prescribed under Section 188 of the Act which are either not in the ordinary course of business or are not at arm's length basis, shall require prior approval of:
   (i) Board; and
   (ii) Shareholders, if amount of such transactions exceeds the limits prescribed in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. No Related Party shall vote to approve such transaction.

e) All RPTs entered by the Company including RPTs approved through omnibus approval, shall be reviewed post facto by the Committee on a quarterly basis. The Committee shall be informed whether the RPTs have been entered into in the ordinary course of business and on arm's length basis.

f) 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:
   a. Value of the ratified transaction with a related party, entered into individually or taken together, during a FY ≤ INR 1 crore;
   b. Transactions is not material in terms of this policy.
   c. Rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
   d. Ratification shall be disclosed along with RPT that is submitted to the stock exchanges;
   e. 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.

IV. MATERIAL RELATED PARTY TRANSACTIONS

Pursuant to the provisions of Regulation 23 of the Listing Regulations, 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 exceeds the thresholds specified in Schedule XII (attached as appendix) of the Listing Regulations, as amended from time to time.

Pursuant to the provisions of Regulation 23(1A) of the 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, exceeds 5% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the Company.

V. DISCLOSURES

a. Particulars of RPTs shall be disclosed in such manner and within such timelines as prescribed under the Listing Regulations and/or the Act (including rules made thereunder), from time to time.
b. This Policy shall be disclosed on the Company's website www.deltoncables.com and a web link thereto shall be provided in the Annual Report of the Company.

VI. RELATED PARTY TRANSACTIONS THAT SHALL NOT REQUIRE APPROVAL UNDER THIS POLICY

The following Related Party Transactions shall not require any separate approval under this Policy:

a. Remuneration and sitting fees paid by the Company to its director, KMP or senior management, except who is part of promoter or promoter group, provided the same is not material in terms of Para IV of the Policy.
b. 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;
c. Payment of Dividend;
d. Transactions involving corporate restructuring, such as buy-back of shares, subdivision or consolidation of securities and issuance of securities by way of a rights issue or a bonus issue;
e. Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between the Company on one hand and the Central Government or any State Government or any combination thereof on the other hand;

f. Any other exemption granted by Ministry of Corporate Affairs of SEBI form time to time.

VII. APPLICABILITY, REVIEW AND AMENDMENT

Applicable provisions of the Act, Listing Regulations pertaining to RPTs which are not specifically covered in this Policy shall be deemed to form part of this Policy.

The Board shall review the Policy at least once in every three years. The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

Appendix

Schedule XII: Related Party Transactions [Regulation 23(1)]

Consolidated Turnover of Listed Entity	Threshold
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than Rs. 20,000 Crore to up to Rs. 40,000 Crore	Rs. 2,000 Crore + 5% of the annual consolidated turnover of the listed entity above Rs. 20,000 Crore
(III) More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above Rs. 40,000 Crore or Rs. 5,000 Crore, whichever is lower.

*Updated on May 27, 2026