

**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED
POLICY ON MATERIALITY OF TRANSACTIONS WITH RELATED PARTIES**

[Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Definitions

For the purposes of this Policy, the terms "**Related Party**" and "**Related Party Transactions**" shall be interpreted in accordance with the applicable definitions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR" or "the Regulations"), as amended from time to time.

2. General Principles

All transactions with related parties shall be undertaken:

- In the **ordinary course of business**, and
- On an **arm's length basis** as per the provisions of Section 188 of the Companies Act, 2013 ("the Act") and other applicable laws.

Any transaction that does not meet the above criteria shall be subject to the requisite approvals as prescribed under the applicable laws, rules, and regulations.

3. Approval of Transaction

In accordance with Regulation 23(2) of the Regulations:

- All Related Party Transactions (RPTs), including any **material modifications** thereto, shall require **prior approval** of the **Audit Committee**, unless exempted under the applicable laws.

Explanation:

A modification to an RPT shall be considered *material* if:

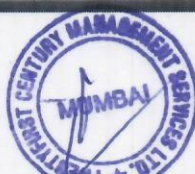
- The cumulative increase in the aggregate value of transactions with a related party exceeds **25% of the originally approved amount**, where such amount is up to ₹10 crore; or
- **10% of the originally approved amount** in all other cases.

4. Omnibus Approval

The Audit Committee may grant omnibus approval on an annual basis for routine RPTs, subject to compliance with the criteria specified under the Regulations, the Act, and other applicable laws.

5. Materiality Thresholds

For the purpose of determining material related party transactions in any financial year, the following thresholds shall apply:



- **For transactions other than payments for brand usage or royalty:**

A transaction shall be deemed material if it individually or cumulatively exceeds ₹1,000 crore or 10% of the Company's annual consolidated turnover, whichever is lower, as per the latest audited financial statements.

- **For transactions involving payment of brand usage or royalty:**

A transaction shall be deemed material if it exceeds 5% of the Company's annual consolidated turnover, as per the latest audited financial statements.

Note: The above thresholds shall automatically align with any future amendments to the SEBI LODR or other applicable laws.

6. Approvals for Material Transactions

All related party transactions exceeding the materiality thresholds defined above shall be treated as **material** and shall require **shareholder approval** or other approvals as prescribed under applicable laws and regulations.

7. Validity and Review

This Policy shall remain in force for a period of **three years from 27.05.2026**, unless earlier modified, replaced, or repealed by the Board of Directors.

This policy is amended and approved by the Board of Directors at their meeting held on 27.05.2026.

