

MULTIPLIER AI LIMITED

(Formerly known as Multiplier AI Private Limited
Before Multiplier IT Solutions India Private Limited)

MULTIPLIER AI LIMITED

“POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS”

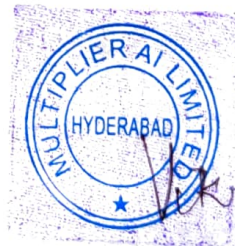


Vikram Kumar

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Approving Authority	Board of Directors of the Company
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Effective date	18 th September 2024
Review cycle	As recommended by the Board of Directors of the Company



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POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS

1. PREFACE

This Policy is intended to ensure the proper approval and reporting of transactions between Multiplier AI Limited ("Company") and any of its Related Parties. This Policy shall apply to all transactions entered into by the Company with its Related Parties as per the applicable laws and regulations, including the Companies Act, 2013 (the "Companies Act") read with the rules framed thereunder and the Listing Regulations. The Company has, under this Policy, formulated guidelines for the identification of Related Parties based on materiality thresholds and setting forth the proper conduct and documentation for Related Party Transactions. Going forward, the Audit Committee of the Company may review and amend this policy from time to time, subject to adoption by the Board and the Board shall review the same at least once every three years.

2. DEFINITIONS

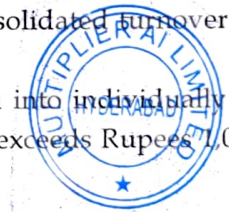
A '**related party**' is a person or entity that is related to the company. Parties / Entities are considered to be related if an entity shall be considered as related to the company if: (i) such entity is a related party under Section 2(76) of the Companies Act, 2013; or (ii) such entity is a related party under the applicable accounting standards.

Materiality of Related Party Transactions means a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds Rs.1,000 Crores (Rupees One Thousand Crore Only) or ten percent of the annual turnover of the company as per the last audited financial statements of the company, whichever is lower.

3. MATERIALITY THRESHOLD

The Company has fixed its materiality thresholds at the level prescribed under explanation to Regulation 23(1) of the SEBI Listing Regulations as under:

- i. In case of transaction involving payments made to a Related Party with respect to brand usage or royalty, if it exceeds five percent (5%) of the annual consolidated turnover of the Company as per its last audited financial statements.
- ii. In case of any other transaction, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees 1,000



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crore or ten percent (10%) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

- iii. Further, Regulation 23 of the SEBI Listing Regulations provides that any subsequent material modifications to the terms of such transactions, as defined by the Audit Committee, shall also require shareholders' prior approval by way of a resolution. Material modification shall be construed as one meeting the conditions as provided in Clause 2.

4. PROCEDURES

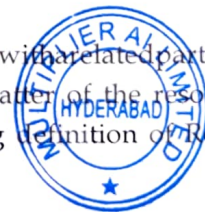
1. All Related Party Transactions (RPTs) of the company as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) regulation 2015 will be approved by the audit committee of the Board from time to time.
2. Each Director who is a Related Party with respect to a particular Related Party Transaction shall disclose all material information to the Committee concerning such Related Party Transaction and his or her interest in such transaction.
3. Management shall present to the Audit Committee the following information, to the extent relevant, with respect to actual or potential Related Party Transactions:
 - a. A general description of the transaction(s), including the name of the related party and nature of relationship, duration of the contract and particulars of the contract or arrangement, maximum amount of transaction that can be entered into, the material terms and conditions.
 - b. The Related Party's interest in the transaction(s), including the Related Party's position or relationship with, or ownership of, any entity that is a party to or has an interest in the transaction(s).
 - c. The manner of determining the pricing and other commercial terms, the indicative base price / current contracted price and the formula for variation in the price if any.
 - d. any advance paid or received for the contract or arrangement, any and the approximate value of the transaction(s) and the approximate value of the Related Party's



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- interest in the transaction(s)
- c. In the case of a lease or other transaction providing for periodic payments or installments, the aggregate amount of all periodic payments or installmentsexpected to be made in the financial year.
 - f. In the case of indebtedness, the aggregate amount of principal to be outstanding and the rate or amount of interest to be payable on such indebtedness.
 - g. 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 material information regarding the transaction(s) or the Related Party's interest in the transaction(s).
4. Consent of the Board and the Shareholders would also be taken in respect of all RPTs, provided that such consent would not be required in the following cases:
- a. The transactions are entered into by the company in its ordinary course of business and are on an arms' length basis; and
 - b. The transaction / transactions to be entered into individually or taken together with previous transactions during a financial year does not exceed ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.
5. Where Board consent / shareholders' approval is required as per para 4 above, a) the agenda of the Board meeting at which the resolution is proposed to be moved and b) explanatory statement to be annexed to the notice of such general meeting, shall disclose all such details / information about the contract as are prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014.
6. Where RPTs require approval of the Board and the shareholders through resolution as per para 4 above, (a) any director who is interested in any contract or arrangement with a related party, shall not be present at the meeting during discussions on the subject-matter of the resolution relating to such contract or arrangement and b) all entities falling within the definition of Related



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Party(ies) shall abstain from voting on such resolution of the shareholders.

7. If a Related Party Transaction will be ongoing/ proposed to be entered into by the company, the Committee may grant omnibus approval for ongoing dealings/ proposed related party transactions. Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can 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.

If 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 one crore per transaction. The Audit Committee shall lay down the criteria / guidelines for granting the omnibus approval in line with the policy on Related Party Transactions of the company. Such approval shall be applicable in respect of transactions which are repetitive in nature and only for one year.

8. The Committee shall periodically review and assess ongoing relationships with the Related Party. Any material amendment, renewal or extension of a transaction, arrangement or relationship previously reviewed under this Policy shall also be subject to subsequent review under this Policy.
9. The Audit Committee periodically shall review this Policy once in every three years and may recommend amendments to this Policy from time to time as it deems appropriate.
10. This Policy on Related Party Transactions shall be governed by the Companies Act, 2013 read with Rules made thereunder, as may be in force for the time being as well as SEBI (Listing Obligations and Disclosure Requirements) regulation 2015 or such other Rules / Regulations, as may be notified by SEBI from time to time.



Vikram Kumar