VARDHMAN
Airport Solutions
ISO 9001:2015 Certified Company

RELATED PARTY TRANSACTIONS POLICY

OF

VARDHMAN AIRPORT SOLUTIONS LIMITED

{Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015}.

For Vardhman Airport Solutions Ltd.

Director

POLICY ON RELATED PARTY TRANSACTIONS

1. SCOPE AND PURPOSE OF THE POLICY

Related Party Transactions ("RPTs") may present potential or actual conflicts of interest if not appropriately governed. Considering the requirements under the Companies Act, 2013 and the disclosure expectations applicable in connection with the Company's proposed SME Initial Public Offering ("IPO"), this Policy has been formulated to regulate, approve and disclose Related Party Transactions in a transparent, fair and compliant manner.

2. OBJECTIVE OF THE POLICY

The objectives of this Policy are to:
(a) establish guidelines for identification, review and approval of Related Party Transactions;
(b) ensure that Related Party Transactions are undertaken in the ordinary course of business and on an arm's length basis, wherever applicable;
(c) protect the interests of the Company and its shareholders while providing operational flexibility; and
(d) ensure that disclosures relating to Related Party Transactions are adequate, accurate and not excessive.

3. DEFINITIONS

"Act" means the Companies Act, 2013 and the rules made thereunder.

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

"Related Party" and "Related Party Transaction" shall have the meanings assigned under Section 2(76) and Section 188 of the Act, respectively.

Upon listing of the Company, definitions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall apply mutatis mutandis.

For Vardhman Airport Solutions Ltd.

Director

4. MATERIALITY THRESHOLDS

Materiality thresholds for Related Party Transactions shall be as prescribed under the Companies Act, 2013 and the rules made thereunder. Upon listing, materiality thresholds prescribed under the SEBI Listing Regulations shall also apply.

The Board of Directors may determine materiality of Related Party Transactions having regard to quantitative thresholds as well as qualitative factors including business necessity, frequency, and impact on the Company.

5. IDENTIFICATION OF RELATED PARTIES AND RPTS

The Company shall maintain an updated list of Related Parties and shall identify all proposed Related Party Transactions in advance to assess whether such transactions are in the ordinary course of business and on an arm's length basis.

6. APPROVAL MECHANISM

Audit Committee Approval:
All Related Party Transactions shall require prior approval of the Audit Committee. The Audit Committee may grant omnibus approvals for repetitive transactions in accordance with the Act, provided that such omnibus approvals shall not be granted for transactions relating to sale or disposal of assets, brand or intellectual property.

Board Approval:
Related Party Transactions which are not in the ordinary course of business or not at arm's length shall require approval of the Board of Directors.

Shareholder Approval:
Shareholder approval shall be obtained wherever required under the Act or applicable regulations, and related parties shall abstain from voting on such resolutions.

Any Director, Promoter or Key Managerial Personnel who is interested in a Related Party Transaction shall abstain from discussion and voting on such matter at the Audit Committee or Board level.

For Vardhman Airport Solutions Ltd.

Director

7. DISCLOSURES

The Company shall disclose Related Party Transactions in the Board's Report and financial statements in accordance with the Act. Upon listing, disclosures shall also be made to the stock exchange(s) and on the Company's website in accordance with the SEBI Listing Regulations.

8. RELATED PARTY TRANSACTIONS NOT APPROVED

Any Related Party Transaction entered into without prior approval shall be placed before the Audit Committee for review. The Audit Committee may recommend ratification, modification or any other corrective action as deemed appropriate.

9. SAFE HARBOUR

Promoters and Directors shall be entitled to rely on approvals and disclosures made under this Policy as approved by the Audit Committee and the Board, for governance and regulatory purposes.

10. REVIEW AND AMENDMENT

This Policy shall be reviewed periodically by the Board of Directors and amended as required to remain compliant with applicable laws and regulations.

11. DISCLOSURE OF POLICY

This Policy shall be disclosed on the website of the Company and shall be read in conjunction with other governance policies adopted in connection with the SME IPO.

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For Vardhman Airport Solutions Ltd.

Director