

निवेशक सेवाएँ प्रभाग, बोर्ड सचिवालय, केंद्रीय कार्यालय
239, विधान भवन मार्ग, नरीमन पॉइंट, मुंबई - 400 021.

अनुदेश परिपत्र क्र.:6224

24 मार्च, 2023

प्रति: सभी शाखाएँ /कार्यालय

संबंधित पक्ष लेनदेन नीति
2023-24

1. संबंधित पक्ष लेनदेन पर प्रथम नीति 2015 में जारी की गई थी. वार्षिक आधार पर इस नीति की समीक्षा की जाती है.
2. बोर्ड ने 14 फरवरी, 2023 को आयोजित अपनी बैठक में संबंधित पक्ष लेनदेन नीति 2023-24 को अनुमोदित कर दिया है जोकि इस परिपत्र के साथ परिशिष्ट के रूप में संलग्न है.
3. वर्ष 2023-24 के लिए संबंधित पक्ष लेनदेन नीति 31 मार्च 2024 तक वैध होगी और प्रबंध एवं सीईओ की विशिष्ट मंजूरी के साथ इस अवधि को आगे 3 माह तक बढ़ाया जा सकता है.
4. शाखाओं / कार्यालयों से अनुरोध है कि वे उक्त को सावधानी पूर्वक नोट करें एवं अनुपालन सुनिश्चित करें.

(एस.के. दाश)
बोर्ड सचिव एवं कंपनी सचिव

निवेशक सेवाएँ प्रभाग, बोर्ड सचिवालय, केंद्रीय कार्यालय
239, विधान भवन मार्ग, नरीमन पॉइंट, मुंबई - 400 021.

Instruction Circular No.:6224

March 24, 2023

TO ALL BRANCHES/OFFICES

RELATED PARTY TRANSACTION POLICY
2023-24

1. The policy on Related Party Transaction was introduced in 2015. The policy is reviewed on annual basis.
2. The Related Party Transaction Policy 2023-24 has been approved by the Board in its meeting held on February 14, 2023.
3. The list of amendments to the policy is enclosed as **Annexure-1** and the revised Related Party Transaction Policy 2023-24 is enclosed as **Annexure-2**.
4. The Related Party Transaction Policy 2023-24 will be valid upto March 31, 2024 and continuity of the same may be extended for a period of 3 months with the specific approval of Managing Director & CEO.
5. Branches/Offices are requested to take a careful note of the above and ensure compliance.

(S.K.Dash)
Board Secretary and Company Secretary

RELATED PARTY TRANSACTION POLICY
2023-24

निवेशक सेवायें प्रभाग, बोर्ड सचिवालय
Investor Services Division, Board Secretariat
239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021.

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RELATED PARTY TRANSACTION POLICY 2023-24

1. Preface

The Board of Directors (the “**Board**”) of Union Bank of India (the “**Bank**”) has adopted this Policy and procedures with regard to Related Party Transactions as defined hereunder. The Audit Committee of the Board is empowered to review and amend this Policy from time to time.

This Policy has been formulated to regulate transactions between the Bank and its Related Parties based on the laws and guidelines applicable to the Bank.

2. Objective

The Policy has been framed to comply with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”). The Policy is intended to ensure proper approval and reporting of transactions between the Bank and its Related Parties. Such transactions shall be appropriate only if, they are in the best interest of the Bank and its shareholders.

3. Applicability:

This policy shall be applicable to all transactions made with:

- (a) Board of Directors and their relatives;
- (b) Key Managerial Personnel (“**KMP**”) of the Bank and their relatives; and
- (c) Related Parties as defined hereinafter.

4. Definitions

4.1. “Annual Consolidated Turnover” is defined as Total Income (i.e. interest earned plus other income) of the Bank as per last audited Annual Consolidated Financial Statements of the Bank.

4.2. “Audit Committee” or “Committee” means the Audit Committee of Board of Directors of the Bank constituted under provisions of Listing Regulations, the





Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970 and in pursuance of the directives of Reserve Bank of India.

- 4.3. **“Arm’s length transaction”** means a transaction as defined under the Companies Act, 2013 i.e. a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- 4.4. **“Board”** means Board of Directors of the Bank constituted in terms of Section 9 (3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.
- 4.5. **“Government Company”** means any company in which not less than fifty one percent of the paid-up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary company of such a Government company;
- 4.6. **“Key Managerial Personnel” or “KMP” means**
- (i) Chief Executive Officer or the Managing Director appointed under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;
 - (ii) Executive Director(s) / Whole-time Director(s) appointed under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;
 - (iii) Company Secretary;
 - (iv) Chief Financial Officer;
 - (v) Chief Compliance Officer;
 - (vi) Board Secretary and
 - (vii) Such other officer/s as may be prescribed;
- 4.7. **“Material Related Party Transaction”** means a transaction with a Related Party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees One Thousand crore or ten per cent of the Annual Consolidated Turnover of the Bank as per the last audited Annual Consolidated Financial Statements of the Bank, whichever is lower.
- 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, **exceed five percent of the annual consolidated turnover** of the Bank as per the last audited financial statements of the Bank.
- 4.8. **“Policy”** means Related Party Transaction Policy.





4.9. “Relative” means and includes anyone who is related to another, if,

- (i) They are members of a Hindu Undivided Family;
- (ii) They are husband and wife;
- (iii) Father (including step-father);
- (iv) Mother (including step-mother);
- (v) Son (including step-son);
- (vi) Son’s wife;
- (vii) Daughter (including step-daughter);
- (viii) Daughter’s husband;
- (ix) Brother (including step-brother);
- (x) Sister (including step-sister).

4.10. “Related Party(ies)” - “Related Party”, with reference to the Bank, means-

- i. Any Body corporate which is -
 - (a) a holding, subsidiary or an associate company of the Bank; or
 - (b) a subsidiary of a holding company to which the Bank is also a subsidiary; or
 - (b) an investing company or the venturer of the Bank;
- ii. Director or his relative;
- iii. Key Managerial Personnel or their relatives;
- iv. Enterprises over which Key Managerial Personnel and / or his relatives is able to exercise significant influence
- v. Firm, in which a Director of the Bank or his relative is a partner;
- vi. Private Company in which a Director of the Bank or his relative is a member or director;
- vii. Public Company in which a Director of the Bank is a Director and holds along with his relatives, more than two per cent of its paid-up share capital;
- viii. Body Corporate whose Board of Directors, Managing Director, or Manager is accustomed to act in accordance with the advice, directions or instructions of a director of the Bank;
- ix. any person under whose advice, directions or instructions a Director or Manager is accustomed to act; Provided that nothing in sub-clauses (viii) and (ix) shall apply to the advice, directions or instructions given in a professional capacity;
- x. any person or entity belonging to the promoter or promoter group of the Bank.





xi. any person or any entity, holding equity shares of ten per cent or more in the Bank either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year

Note: The above-mentioned definition of “Related Party (ies)” shall apply *mutatis mutandis* for determining the Related parties of subsidiaries (listed / unlisted) of the Bank and the term “Bank”, wherever appearing in the definition shall be construed as “subsidiary”.

4.11. “Related Party Transaction” or “RPT” means a transaction involving a transfer of resources, services or obligations between:

- (i) The Bank or any of its subsidiaries on one hand and a related party of the Bank or any of its subsidiaries on the other hand; or
- (ii) The Bank 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 Bank 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 by the Bank which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. sub-division 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 SEBI:

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognized stock exchange(s)





4.12. “Significant influence” means participation in the financial and/or operating policy decisions of an enterprise, but not control of those policies. Generally, if an investing party holds 20% or more of the voting power of an enterprise, it is presumed that the investing party has significant influence over that enterprise.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

4.13 “Material Modification”: A modification to the Related Party Transaction shall be considered material where the value involved or the impact of an event exceeds -

2% of the total income of the Bank as per the last audited consolidated financial statements

or

5% of the net worth of the Bank as per the last audited consolidated financial statements

whichever is lower.

5. Policy

All Related Party Transactions other than those covered under omnibus approval must require prior approval of the Audit Committee in accordance with this Policy. All material related party transactions shall require approval of shareholders.

5.1. Type of Transactions to be covered:

In accordance with the applicable laws, following transactions shall be covered under this Policy **for the Bank and its subsidiaries:**

(A) Pursuant to the Companies Act, 2013:

- (i) Sale, purchase or supply of any goods or materials;
- (ii) Selling or otherwise disposing of, or buying, property of any kind;
- (iii) Leasing of property of any kind;
- (iv) Availing or rendering of any services;
- (v) Appointment of any agent for purchase or sale of goods, materials, services or property etc.
- (vi) Such Related Party's appointment to any office or place of profit in the Bank, its subsidiary company or associate company;
- (vii) Underwriting the subscription of any securities or derivatives thereof, of the Bank.





(B) Pursuant to Listing Regulations:

A transfer of resources, services or obligations between the Bank and a Related Party, 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.

(C) Pursuant to RBI Guidelines on Disclosure in Financial Statements - Notes to Accounts (Accounting Standard 18):

- (i) Borrowings
- (ii) Deposit
- (iii) Placement of deposits
- (iv) Advances
- (v) Investments
- (vi) Non-funded commitments
- (vii) Leasing/HP arrangements availed
- (viii) Leasing/HP arrangements provided
- (ix) Purchase of fixed assets
- (x) Sale of fixed assets
- (xi) Interest paid
- (xii) Interest received
- (xiii) Rendering of services
- (xiv) Receiving of services
- (xv) Management contracts

5.2. Identification of Related Parties

The Directors and KMPs are mandated to promptly communicate to the Board Secretariat list of Related Parties (**Annexure - II**) on their appointment/posting as Director/KMP and any changes thereafter in the initial disclosure of Related Parties submitted by them.

Board Secretariat shall maintain a database of Related Parties containing the names of individuals and the companies identified based on the definition of Related Party and declarations provided by Directors and KMPs, including any revisions therein. The list





of Related Parties shall be made available on Bank's intranet viz. UBINET for information of the field functionaries.

Department of Information Technology ("DIT") shall evolve a system for generation of reports of Related Party Transactions.

5.3. Identification of potential Related Party Transactions

Each Director and Key Managerial Personnel is responsible for providing notice to the Board or the Audit Committee regarding 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.

The notice of any such potential Related Party Transaction should be given to the Board/Audit Committee well in advance so that the Audit Committee has adequate time to obtain and review information about the proposed transaction.

The Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

All the branches/offices before entering into the transaction with Related Party shall follow the procedure to take prior approval of the Audit Committee as per procedure specified in **Annexure - III**.

5.4. Process for monitoring of Related Party transactions

All Branch Head/Office In-Charge/Regional Heads would be required to proactively ensure that RPTs are entered in accordance with this Policy. Any non-compliance, if observed, must be reported to the Audit Committee by the Board Secretariat.

5.5. Approval for certain Related Party Transactions and Material Related Party Transactions

5.5.1 All proposed Related Party Transactions and subsequent material modifications must be reported to the Audit Committee of the Bank for obtaining its prior approval in accordance with this Policy. The information to be provided for obtaining prior approval of the Audit Committee in this regard is stipulated in **Annexure-IV**. However, the Audit Committee may grant Omnibus Approval for Related Party Transactions proposed to be entered into between the Bank and the Related Parties.





Provided that only those members of the Audit Committee, who are Independent Directors, shall approve Related Party Transactions.

Provided further that the Audit committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

5.5.2 Related Party Transactions involving Subsidiaries of the Bank:

- a. A Related Party Transaction to which the subsidiary of the Bank is a party but the Bank is not a party, shall require prior approval of the Audit Committee of the Bank if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds Ten per cent of the annual standalone turnover, as per the last audited financial statements of such subsidiary.
- b. Prior approval of the Audit Committee of the Bank shall not be required for a Related Party Transaction to which the listed subsidiary of the Bank is a party but the Bank is not a party, if Regulation 23 and sub-regulation (2) of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended are applicable to such listed subsidiary of the Bank.
- c. For Related party transactions of unlisted subsidiaries of a listed subsidiary of the Bank as referred to in (c) above, the prior approval of the Audit Committee of the listed subsidiary of the Bank shall suffice.

5.5.3 Omnibus Approval - In case of RPTs of repetitive nature, the details of the RPT shall be submitted to the Audit Committee in the form as prescribed in Annexure-V to obtain its Omnibus Approval.

The Audit Committee may lay down the criteria for granting the Omnibus Approval and such approval shall be applicable in respect of transactions which are repetitive in nature. The Audit Committee shall satisfy itself the need for such Omnibus Approval and that such approval is in the interest of the Bank.

The Omnibus Approval would specify, to the extent possible:-

- (a) Names of the Related Party;
- (b) Nature of the transaction/ categories of such transactions;
- (c) Period of the transaction/contract/ arrangement;
- (d) Maximum value for which such a transaction can be cumulatively transacted;





- (e) Guidance on commercial consideration; and
- (f) Any other conditions the Audit Committee deems fit.

In case the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, the Audit Committee may grant Omnibus Approval for such RPTs subject to their value not exceeding Rs. 1 crore per transaction.

The Omnibus Approval thus received shall be considered as prior approval for the respective/ classified RPT. This shall eliminate the need/ requirement for obtaining prior approval for such repetitive RPT of similar nature. However, such RPTs will continue to be evaluated for propriety of arm's length and ordinary course of business. The Omnibus Approval thus obtained shall remain valid for a period of one year. On expiry of the said term/period, fresh approval should be obtained for the classified RPTs.

On a quarterly basis, Board Secretariat will place the agenda before the Audit Committee for review of all RPTs for which Audit Committee has granted Omnibus Approvals.

- 5.5.4 Further, all Material Related Party Transactions and subsequent material modifications as defined by the Audit Committee of the Bank shall require prior approval of the shareholders of the Bank through Resolution and no related party shall vote to approve such Resolutions whether the Related Party is a party to the particular transaction or not.

The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the information set out in Annexure VI as a part of the explanatory statement.

Provided that prior approval of the shareholders of the Bank shall not be required for a related party transaction to which the listed subsidiary is a party but the Bank is not a party, if Regulation 23 and sub-regulation (2) of regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, 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 suffice.

Provided further that the requirements specified under 5.5.4 above shall not apply in respect of a resolution plan approved under section 31 of the





Insolvency and Bankruptcy Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved;

The provisions of paras 5.5.1, 5.5.2 , 5.5.3 & 5.5.4 shall not be applicable in the following cases -

- (a) Transactions entered into between two government companies;
- (b) Transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with the Bank and placed before the shareholders at the general meeting for approval
- (c) Transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

5.6. Approval by Circular Resolution of the Audit Committee

In the event the Board Secretariat determines that it is impractical or undesirable to wait until a meeting of the Audit Committee to enter into a Related Party Transaction, such transaction may be approved by the Audit Committee by way of circular resolution in accordance with this Policy and statutory provisions for the time being in force.

5.7. Decision regarding transaction in ordinary course of business or on an arm's length basis

The Audit Committee/the Board shall, in respect of the RPTs referred to them for approval, after considering the information/ documents placed before them; judge if the transaction is in the ordinary course of business or on an arm's length basis. The Audit Committee/ the Board may seek views of professionals/ specialists (on a need basis) for analyzing the appropriateness of the transactions from 'ordinary course of business' or 'arm's length' perspective.

6. Secrecy Provisions

In terms of paragraph 5 of Accounting Standard 18, the disclosure requirements do not apply in circumstances when providing such disclosures would conflict with the reporting enterprise's duties of confidentiality as specifically required in terms of statute, by regulator or similar competent authority. In terms of Paragraph 6 of Accounting Standard 18, in case a statute or the RBI or SEBI prohibits the Banks from disclosing certain information which is required to be disclosed, non-disclosure of such





information would not be deemed as non-compliance with the requirements of Accounting Standard 18. It is clear from the above that on account of the judicially recognized common law duty of the banks to maintain the confidentiality of the customer details, they need not make such disclosures. In view of the above, where the disclosures under the Accounting Standards are not aggregated disclosures in respect of any category of Related Party i.e., where there is only one entity in any category of Related Party, Banks need not disclose any details pertaining to that Related Party other than the relationship with that Related Party.

7. Related Party Transactions without the prior approval under the Policy

In the event the Bank becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Committee shall consider all the relevant facts and circumstances regarding the Related Party Transaction and shall evaluate all options available to the Bank, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as deemed appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. The Audit Committee shall also have the authority to modify or waive any procedural requirements of the Related Party Transaction to suit the modus operandi of this Policy.

In case the aforesaid Related Party Transaction requires the approval of shareholders, then once it is ratified by the Audit Committee, it shall be placed for ratification before the shareholders in their general meeting.

8. Policy Review

This Policy is revised based on the extant provisions of Listing Regulations. In case of any subsequent changes in the provisions of the Listing Regulations or any other applicable laws, the Listing Regulations or the applicable laws would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with applicable law.





In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Bank, the law, rule, regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the law, rule, regulation or standard.

This Policy shall be reviewed by the Audit Committee, as and when any changes are to be incorporated in the Policy due to change in law, rule, regulation or standard or as may be deemed appropriate by the Audit Committee.

In connection with any review of a Related Party Transaction, the Audit Committee has the final authority to modify or waive any procedural requirements of this Policy.

This Policy will be communicated to all operational employees and other concerned persons of the Bank. The Board shall approve the policy upon recommendation of ACB.

9. Disclosures

- (i) The Policy on dealing with Related Party Transactions shall be disclosed on Bank's website and a web link thereto should be provided in the Annual Report of the Bank.
- (ii) The details of all material transactions with related parties shall be disclosed to the Stock Exchanges quarterly along with the compliance report on Corporate Governance.
- (iii) Disclosure of related party transactions on a consolidated basis to the stock exchanges in the format as specified by SEBI along with standalone and consolidated financial results for the half year. The same shall also be published on the website of the Bank.
- (iv) The Reserve Bank of India ("RBI") vide its Master Circular No. DBR.BP.BC No.23/21.04.018/2015-16 dated July 1, 2015 on Disclosure in Financial Statements - Notes to Accounts, has provided detailed guidance to Banks in the matter of disclosures in the 'Notes to Accounts' to the Financial Statements. The Accounting Standard 18 relating to Related Party Disclosures is applicable for reporting Related Party relationships and transactions between a reporting enterprise and its Related Parties. The illustrative disclosure format recommended by the Institute of Chartered Accountants of India as a part of General Clarification (GC) 2/2002 has been suitably modified by RBI to suit Banks.

However, no disclosure is required in respect of related parties, which are "State controlled Enterprises" as per paragraph 9 of Accounting Standard (AS) 18. Further in terms of paragraph 5 of AS 18, transactions in the nature of Banker - Customer relationship are not required to be disclosed including those with Key Management Personnel and relatives of Key Management Personnel.





References:

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. The Banking Regulation Act, 1949
3. The Companies Act, 2013
4. SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22.11.2021





Definition of Related Party as per Accounting Standard & Companies Act, 2013

Accounting Standard - 18

Para 3: This Standard deals only with related party relationships described in (a) to (e) below:

- (a) enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise (this includes holding companies, subsidiaries and fellow subsidiaries);
- (b) associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or a joint venture;
- (c) individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;
- (d) key management personnel and relatives of such personnel; and
- (e) Enterprises over which any person described in (c) or (d) is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise.

Para 10.1: Related party - parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

Companies Act, 2013

Section 2(76): “related party”, with reference to a company, means-

- i. a director or his relative;
- ii. a key managerial personnel or his relative;
- iii. a firm, in which a director of the Bank or his relative is a partner;
- iv. a private company in which a director of the Bank or his relative is a member or director;
- v. a public company in which a director of the Bank is a director and holds along with his relatives, more than two per cent of its paid-up share capital;





- vi. any body corporate whose board of directors, managing director, or manager is accustomed to act in accordance with the advice, directions or instructions of a director of the Bank;
- vii. any person under whose advice, directions or instructions a director or manager is accustomed to act;
Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;
- viii. any body corporate which is -
 - (a) a subsidiary or an associate company of the Bank; or
 - (b) a subsidiary of a holding company to which the Bank is also a subsidiary;
 - (c) an investing company or the venturer whose investment in the Bank would result in the Bank becoming an associate company of the body corporate
- ix. a director or key managerial personnel of the holding company of the Bank or his relative;
- x. Such other person as may be prescribed.



**List of Related Parties to be submitted by Directors & KMPs**

Name of Director/KMP: _____

PAN:

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Relation		Name	PAN
Members of HUF	:		
Spouse	:		
Father (including step-father)	:		
Mother (including step-mother)	:		
Brother (including step-brother)	:		
Sister (including step-sister)	:		
Son (including step-son)	:		
Son's Wife	:		
Daughter (including step-Daughter)	:		
Daughter's Husband	:		
Firms in which you or your relative is a Partner	:		
Private Company in which you or your relative is a Member or Director	:		
Public Company in which you are a Director and hold along with your relatives, more than 2% of its Paid-Up Share Capital	:		
Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to Act in accordance with your advice, directions or instructions	:		
any person on whose advice, directions or instructions you are accustomed to act	:		
Enterprises / Companies in which you and / or your relatives hold 20% or more of the voting power	:		

Date:**Place:****Signature**



Annexure - III

Procedure for seeking approval of Related Party Transactions

All Related Party Transactions and material modifications thereof require prior approval from Audit Committee. All Material Related Party Transactions and material modifications thereof require prior approval of the shareholders of the Bank through Resolution. Audit Committee may grant Omnibus Approval for Related Party Transactions. Board Secretariat will circulate the Omnibus Approval of ACB on Bank's Intranet viz. UBINET as Information Circular.

As and when any transaction is contemplated with any Related Party, the concerned branch/office entertaining the request shall confirm whether the transaction is covered under Omnibus Approval of the Audit Committee of the Board. List of Related Parties is made available on UBINET under 'About Us' tab on Home Page. Related Party Transactions which are covered under Omnibus Approval will not require prior approval of Audit Committee and for such transactions only information is to be submitted to Board Secretariat.

Related Party Transactions which are not covered under Omnibus Approval of the Audit Committee, the concerned branch/office shall contact Board Secretariat, Central Office for seeking approval of the Audit Committee.

Thereafter, the Board Secretariat shall place a note to the Audit Committee of the Board (ACB) for taking its approval for the transaction with Related Party in its next regular meeting or by Circular Resolution as it may deem fit.

If the ACB determines that a Related Party Transaction should be brought before the Board, or if the Board in any case decides 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.

The Board Secretariat shall convey back the decision of ACB/Board to the concerned branch/office/department.





Information to be reviewed by the Audit Committee for approval of Related Party Transaction

- a. Type, material terms and particulars of the proposed transaction;
- b. General Terms & Conditions applicable to such transactions (as per extant guidelines of the Bank)
- c. Justification for variation in General Terms & Conditions
- d. Name of the related party and its relationship with the Bank or its subsidiary, including nature of its concern or interest (financial or otherwise);
- e. Tenure of the proposed transaction (particular tenure shall be specified);
- f. Value of the proposed transaction;
- g. The percentage of the Bank's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
- h. If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Bank or its subsidiary:
 - i) Details of the source of funds in connection with the proposed transaction;
 - ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
 - nature of indebtedness;
 - cost of funds; and
 - tenure;





- iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
- iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
- i. Justification as to why the RPT is in the interest of the listed entity;
- j. A copy of the valuation or other external party report, if any such report has been relied upon;
- k. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
- l. Any other information that may be relevant



निवेशक सेवायें प्रभाग, बोर्ड सचिवालय
 Investor Services Division, Board Secretariat

Annexure - V

Form to be submitted to ACB to obtain its Omnibus Approval

Name of the Related Party	Nature/Catagory of Transactions	Period of the Transaction/ Contract/ Arrangement @	Maximum Cumulative Value of Transaction#	Guidance on Commercial Consideration*	Any other condition the ACB deems fit

@ e.g.: in case of deposit & advances - range of the period of the maturity and repayment for which Union Bank normally accepts Deposits & Advances.

Maximum value for which such a transaction can be cumulatively transacted.

* The indicative base price/current contracted price and the formula for variation in the price if any



Annexure - VI

Information to be provided to shareholders for consideration of material RPTs

The notice being sent to the shareholders seeking approval for any proposed material RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:

- a. A summary of the information provided by the management of the Bank to the Audit Committee as specified in Annexure IV;
- b. Justification for why the proposed transaction is in the interest of the Bank;
- c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details specified under point h of Annexure-IV; (The requirement of disclosing source of funds and cost of funds shall not be applicable to listed banks/NBFCs.)
- d. A statement that the valuation or other external report, if any, relied upon by the Bank in relation to the proposed transaction will be made available through the registered email address of the shareholders;
- e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
- f. Any other information that may be relevant.

