

POLICY ON RELATED PARTY TRANSACTIONS

Shree Ram Proteins Limited



1. INTRODUCTION

Sub-regulation 1 of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires listed entity to formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the Board of Directors (the “**Board**”) at least once every three years and updated accordingly.

The Board of Shree Ram Proteins Limited (the “**Company**”), In the light of the above, the Company has framed this Policy on Related Party Transactions (“**Policy**”). This Policy has been adopted by the Board of Directors of the Company (“**Board**”) based on the recommendations of the Audit Committee. Going forward, the Audit Committee will review the Policy at least once every three years and amend the Policy, as and when required, subject to the adoption by the Board.

This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable on the Company.

2. OBJECTIVE OF THE POLICY

The objective of this Policy is to set out (a) the basis of identifying related parties of the Company as well as related party transactions, (b) the materiality thresholds for related party transactions and (c) the manner of entering into transactions between the Company and its related parties based on the Act read with the SEBI Listing Regulations and any other laws and regulations as may be applicable to the Company.

3. DEFINITIONS

“**Audit Committee**” or “**Committee**” means the committee constituted by the Board of Directors of the Company, from time to time, under the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

3.2 “**Board of Directors**” or “**Board**” means the Board of Directors of Shree Ram Proteins Limited, as constituted from time to time.

3.3 “**Company**” means Shree Ram Proteins Limited.

3.4 “**Key Managerial Personnel**” shall have the meaning ascribed to the term under Section 2(51) the Companies Act, 2013 and shall mean:

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Whole-time Director;
- (iii) the Chief Financial Officer; and
- (iv) such other officer as may be prescribed under the Companies Act, 2013.

3.5 “**Material Related Party Transaction**” means a transaction with a Related Party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Notwithstanding the above, 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 Company as per the last audited financial statements of the Company.

3.6 “**Policy**” means this policy on Related Party Transactions as amended from time to time

3.7 **“Related Party”**, in relation to the Company, shall refer to an entity which is:

- (i) a related party under Section 2(76) of the Companies Act, 2013; or
- (ii) a related party under the applicable accounting standards.

The parties specified in Section 2(76) of the Companies Act, 2013 are as under:

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager or his relative is a member or director;
- (v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid- up share capital;
- (vi) anybody corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on 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 company which is –
 - a. a holding, subsidiary or an associate company of the company; or
 - b. a subsidiary of a holding company to which it is also a subsidiary;
 - c. an investing Company or the venturer of the Company
- (viii) a director (other than an Independent Director) or key managerial personnel of the holding company or his relative with reference to the Company
- (ix) such other person as may be prescribed.

3.8 **“Related Party Transaction”** means a transfer of resources, services or obligations between the Company 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.

3.9 **“Relative”** means relative as defined under the Companies Act, 2013 and, with reference to any person, means anyone who is related to another, if –

- i. they are members of a Hindu undivided family;
- ii. they are husband and wife; or
- iii. Father (including step-father);
- iv. Mother (including step-mother);
- v. Son (including step-son);
- vi. Son’s wife;
- vii. Daughter;
- viii. Daughter’s husband;
- ix. Brother (including step-brother);

- x. Sister (including step-sister);
- xi. one person is related to the other in such manner as may be prescribed under the Companies Act, 2013.

3.10 “Ordinary course of business” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per its Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines;

4. POLICY

i. Identification of Related Parties:

The Company Secretary, based on the declarations provided by the Directors and Key Managerial Personnel and also based on the corporate structure shall prepare a list of all persons who shall be considered as related parties with reference to the Company.

ii. Identification of potential Related Party Transactions:

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 read with Section 177 of the Act and Regulation 2(1) (zc) of the SEBI Listing Regulations. The Company has also formulated guidelines for determining whether the transaction is in the ordinary course of business and at arm's length basis and for this purpose, the Company will seek external expert opinion, if necessary. Each Director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of 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 Audit Committee would determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

iii. Restrictions related to Related Party Transactions

All Related Party Transactions shall require prior approval of Audit Committee. Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company subject to the following conditions:

- a. The Audit Committee shall lay down the criteria for granting the omnibus approval in line with this policy and such approval shall be applicable in respect of transactions which are repetitive in nature.
- b. The Audit Committee shall satisfy itself on the need for such omnibus approval and that such approval is in the interest of the company;
- c. 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;

Provided that where 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 Rs. 1,00,00,000 (Rupees One Crore Only) per transaction.

- d. Audit Committee shall review, at least on a quarterly basis, the details of related party

- transactions entered into by the company pursuant to each of the omnibus approval given.
- e. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

Further, all Material Related Party Transactions shall require approval of the shareholders through ordinary resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not

Nothing contained in this Paragraph 4.3 shall apply to transactions entered into between the Company and its wholly owned subsidiary/ies whose accounts are consolidated with the Company and such consolidated accounts are placed before the shareholders of the Company at the general meeting for approval (such transaction are hereinafter referred to as “Exempted Transactions”).

The provisions contained in this Paragraph 4.3 shall be applicable to all prospective transactions.

For the purpose of this Paragraph 4.3, all entities falling under the definition of related parties shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.

iv. Review and Approval of Related Party Transactions by Audit Committee

All Related Party Transactions, including Material Related Party Transaction but excluding Exempted Transactions, will be put to the Audit Committee for its review and prior approval in a meeting or by way of circular resolution. Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits/ loss to the Company, and any other relevant matters.

In determining whether to approve a Related Party Transaction, the Committee may consider all such factors/ or may call such information/ or seek external advice/ opinion as it may consider appropriate in its sole judgment.

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

5. POST FACTO CONSIDERATION OF RELATED PARTY TRANSACTIONS

The members of the Audit Committee, who are independent directors, may ratify the related party transactions within 3 months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier. Ratification is subject to certain conditions as specified in the Listing Regulations.

The failure to seek ratification of the audit committee shall render related party transactions voidable at the option of the audit committee and if the transaction is with a related party to any director or is authorized by any director, the director(s) concerned shall indemnify the Company against any losses incurred.

6. REVIEW AND UPDATION OF THE POLICY

The Board shall review this policy at least once in every three years and if necessary shall update the same on the recommendation of the Committee.

7. DISCLOSURES

The Company shall disclose, in the Board's report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or not at arm's length basis along with the justification for entering into such transaction.

The Company shall place all the information, as specified in Industry Standards read with the provisions of SEBI Listing Regulations, Companies Act, 2013 as well as additional information specified by SEBI from time to time, for review of the Audit Committee while seeking prior approval of the RPTs.

The Company shall place all the information, as specified in Industry Standards read with the provisions of SEBI Listing Regulations, Companies Act, 2013 as well as additional information specified by SEBI from time to time, in the Statement to the notice being sent to shareholders seeking their approval for proposed RPTs as applicable.

The Company shall provide disclosure of the Related Party Transactions to stock exchanges where the Company's securities are listed, in the format as specified by the SEBI/stock exchanges from time to time and within statutory timelines. The Company shall simultaneously upload the disclosure at its website.

The policy stand revised upon approval of Audit committee and Board of directors as on May 29, 2025.
