

UNIVA FOODS LIMITED
RELATED PARTY TRANSACTIONS POLICY

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1. PREAMBLE

The Board of Directors (the **“Board”**) of Univa Foods Limited (the **“Company”**), has adopted this policy on Related Party Transactions which includes the materiality threshold and the manner of dealing with Related Party Transactions (this **“Policy”**), upon the recommendation of the Audit Committee of the Company, in compliance with the requirements of Section 188 of the Companies Act, 2013, rules made thereunder, the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (the **“Listing Regulations”**), and other rules and regulations as may be applicable. Amendments, from time to time, to this Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee. This Policy shall be duly approved by the Board and shall be reviewed by the Board at least once every three years and updated accordingly.

This policy is to regulate transactions between the Company and one or more of its Related Parties based on the laws and regulations applicable on the Company. It further provides a framework for governance and reporting of Related Party Transactions including material transactions.

2. OBJECTIVE AND PURPOSE

The Objective of this Policy is to ensure that all Related Party Transactions (**“RPT”**) entered into by the Company are reviewed and approved by the Audit Committee (**“the Committee”**) in line with the requirements as prescribed under Companies Act, 2013 (**“Act”**) and Rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (**“SEBI LODR”**) and amendments thereof.

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

3. DEFINITIONS

“Act” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“Arm’s length transaction” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. For determination of Arm’s Length basis, guidance may be taken from provisions of Transfer Pricing under Income Tax Act, 1961.

“Audit Committee or Committee” means **“Audit Committee”** constituted by the Board of Directors of the Company under provisions of Listing Regulations and Companies Act, 2013 as amended from time to time.

“Listing Regulations” shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“Associate Company” means any other Company, in which the Company has a significant influence, but which is not a Subsidiary Company of the Company having such influence and includes a joint venture company. Explanation – For the purpose of this clause **“significant influence”** means control of at least 20% of total share capital, or business decisions under an agreement.

“**Board of Directors**” or “**Board**” means the Board of Directors of the Company, as constituted from time to time. “**Control**” shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

“**Material Related Party Transaction**” in terms of Listing Regulations means a transaction(s) to be entered into with a Related Party, individually or taken together with previous transactions during a financial year:

(i) In case of transaction(s) involving payments made with respect to brand usage or royalty, if it exceeds 5% of the annual consolidated turnover of the Company as per its last audited financial statements;

(ii) In case of any other transaction(s), if the amount exceeds Indian Rupees 1,000 crores or 10% (ten percent) of the annual consolidated turnover of the Company as per its last audited financial statements, [whichever is lower].

“**Material Modification**” in terms of Listing Regulations means any modification(s) in the pricing, quantity or overall transaction value having a variance of 20% (twenty percent) or more of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be.

Further the change in nature of the transaction shall also be covered under the material modifications.

“**Policy**” means Related Party Transaction Policy.

“**Related Party**” means related party as defined under Section 2(76) of the Companies Act, 2013 or under the applicable accounting standards:

The following shall also be treated as the Related Party –

(a) all persons or entities forming part of promoter or promoter group irrespective of their shareholding;

(b) any person/entity holding equity shares in the listed entity, as below, either directly or on a beneficial interest basis at any time during the immediately preceding financial year:

i. to the extent of 20 % or more

ii. to the extent of 10% or more with effect from April 1, 2023

“**Related Party Transaction** or **transaction** or (“**RPT**”) means transaction involving transfer of resources, services or obligations between the Company and the Related Party, regardless of whether a price is charged. Explanation – A transaction with a Related Party shall be construed to include single or a group of transactions in a contract. The RPT shall include transactions between–

(a). the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or

(b). the Company 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 Company or any of its subsidiaries.

in the listed entity 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; shall be deemed to be a related party

“**Relative**” shall mean “relative” as defined in section 2(77) of the Companies Act, 2013 and rules prescribed there under.

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such term in the Companies Act, 2013 and the Rules thereunder and the Listing Regulations, as amended from time to time. In case of any conflict between this Policy and applicable law, the applicable law (as existing on the date of the concerned transaction) shall prevail.

4. POLICY AND PROCEDURE

Policy:

The Audit Committee shall review and approve all Related Party Transactions based on this Policy.

All proposed Related Party Transactions where the Company is a party to such transactions, must be reported to the Audit Committee and shall be referred for approval by the Committee in accordance with this policy. In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre-approval / omnibus approval for such transactions.

Procedures:

A. Identification of Related Party Transactions

For the purpose of identification of Related Party Transactions every director shall at the beginning of the financial year provide information by way of written notice to the company regarding his concern or interest in the entity with specific concern to parties which may be considered as related party with respect to the Company and shall also provide the list of relatives which are regarded as related party as per this policy. Directors are also required to provide the information regarding their engagement with other entity during the financial year which may be regarded as related party according to this policy. The Company will identify potential transactions with Related Parties based on written notices of concern or interests received from its Directors / Key Managerial Personnel as well as based on the list of related parties of the Subsidiary Companies, in the manner prescribed in the Companies Act, 2013 and the rules thereunder and Listing Regulations as amended from time to time.

B. Review and approval of Related Party Transaction

- Every Related Party Transaction and subsequent Material Modifications shall be subject to the prior approval of the Audit Committee. Provided further that only those Members of the audit committee, who are independent directors, shall approve related party transactions.
- For the purposes of ascertaining whether a Related Party Transaction is on an arm's length basis or not, the definition of arm's length transaction as expressed in Section 188 of the Companies Act, 2013 shall be applicable.
- The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to compliance of the conditions contained in the Companies Act, 2013 and Listing Regulations as amended from time to time.
- The audit committee shall also review at least on a quarterly basis the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis.
- Prior approval of the Audit committee shall be required for:
 - a. All Related Party Transactions and subsequent Material Modifications;
 - b. Related Party Transactions where Company's subsidiary is a party but Company is not a party, if the value of such transaction, whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the consolidated turnover of the Company, as per the last audited financial statements of the Company;
 - c. A related party transaction to which the Company's subsidiary is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together

with previous transactions during a financial year, exceeds 10% of the annual standalone turnover, as per the last audited financial statements of such subsidiary.

Provided that prior approval of the audit committee of the Company shall not be required for RPTs where a listed subsidiary of the Company is a party but the Company is not a party, if regulation 23 and 15 (2) of Listing Regulations are applicable to such listed subsidiary.

The Committee shall also satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.

If any additional Related Party Transaction is to be entered by the Company post omnibus approval granted by the Audit Committee, then the Company shall present such transaction before the Audit Committee in its next meeting for its prior approval.

- The Audit Committee shall also review the statement of significant related party transactions submitted by management as per its terms of reference.
- Any member of the Committee who has a potential interest in any Related Party Transaction shall abstain from discussion and voting on the approval of the Related Party Transaction.
- To review a Related Party Transaction, the Committee shall be provided with the necessary information (as prescribed under the Companies Act, 2013 and/or the SEBI Listing Regulations, from time to time), to the extent relevant, with respect to actual or potential Related Party Transactions.
- The Audit Committee shall recommend the Related Party Transactions for approval of Board of Directors / Shareholders as per terms of this policy.

Omnibus Approval:

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Audit Committee may grant standing preapproval / omnibus approval for the related party transactions to be entered by the Company which are of repetitive nature;

i. The Audit Committee shall take into account following considerations while granting omnibus approval for RPTs, of repetitive nature:

- Criteria specified by the Audit Committee under Rule 6A of the Companies (Meetings of Board & Its Powers) Rules, 2014 after approval of the Board;
- Nature of relationship with the related party;
- Nature, material terms and conditions, monetary values and particulars of the contract or arrangement;
- Method and manner of determining the pricing and other commercial terms;
- Justification for need of omnibus approval;
- Whether the transaction is at arm's length and in ordinary course of business; and
- Any other information relevant or important to take a decision on the proposed transaction.

ii. Pursuant to Regulation 23 of SEBI (LODR) 2015, the threshold limits for RPTs for granting omnibus approval for each financial year, as per the criteria approved by the Board in its Meeting is as under:

Sr.no.	Criteria	Amount (₹)
a.	Maximum value of transactions, in aggregate, which can be allowed under the omnibus route	INR 100 Crore (Indian Rupees One Hundred Crores Only) or ten per cent of the annual consolidated turnover of immediate previous financial year of the listed entity, whichever is lower
b.	Maximum value per transaction which can be allowed	INR 1 Crore (Indian Rupees One Crores Only)

iii. The Audit Committee may grant omnibus approval for related party transactions which are repetitive in nature and subject to such criteria/conditions as mentioned under Listing Regulations and such other conditions as it may consider necessary in line with this policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year. Additionally, the Committee may also grant omnibus approval for RPTs of unforeseen nature not exceeding Rupees One Crore.

iv. Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, duration 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 Committee may deem fit on case to case basis.

v The Audit Committee shall review at least on a quarterly basis the details of RPTs entered into by the Company pursuant to omnibus approval.

vi. The audit committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

» **Approval of the Board and the Shareholders**

- All Related Party Transactions which are not in the ordinary course of business or not at the arm's length price shall require prior approval of the Board of Directors of the Company. Where any director is interested in any Related Party Transaction, such director will abstain from discussion and voting on the subject matter of the resolution relating to such Transaction.

Further, all related party transactions [which are not in the ordinary course of business or not at the arm's length price and are] exceeding threshold limits prescribed in the Act as per Annexure 1 shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and [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.]

[Further, the information as prescribed under the Companies Act, 2013 and/or the SEBI (LODR) 2015, from time to time shall be provided in the Notice to the shareholders for consideration of RPTs.]

- All the Material Related Party Transactions [and subsequent Material Modifications] shall require [prior] approval of the Board, audit committee and 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.]

[Provided that prior approval of shareholders of the Company shall not be required for RPTs where listed subsidiary is a party but the Company is not a party, if regulation 23 and 15 (2) of SEBI (LODR) 2015 are applicable to such listed subsidiary.]

Provided that the aforesaid requirements shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Provided that the Material Related Transactions entered into by the Company with its wholly owned subsidiary(ies) whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval shall not require approval of the shareholders.

[Provided that the provisions pertaining to –

- Prior approval of the Audit Committee for all RPTs;
- Omnibus approval for RPTs; and
- Prior approval of shareholders for Material Related Party Transactions and subsequent Material Modifications shall not be applicable when the transactions are entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.]

5. TRANSACTIONS WHICH DO NOT REQUIRE APPROVAL

Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party including following:

- (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 Company which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. subdivision or consolidation of securities;
 - iii. issuance of securities by way of a rights issue or a bonus issue; and iv. buy-back of securities.]

6. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

If a Related Party Transaction is entered into by the Company without being approved under this Policy, the same shall be reviewed by the Audit Committee. The Audit Committee shall evaluate the transaction and may decide such action as it may consider appropriate including ratification, revision or termination of the Related Party Transaction. The Audit Committee may examine the facts and circumstances of the case and take any such action it deems appropriate.

7. DISCLOSURES

- Every Related Party Transaction with proper justification shall be disclosed in the Directors Report. [Material RPTs shall be provided in the notice to shareholders].
- Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- The Company shall submit enhanced disclosure of information related to RPTs to be provided to the Stock Exchanges every six months in the format specified by the SEBI with the following timelines:

- simultaneously with the financials and also publish the same on its website.
- The Company shall disclose policy on dealing with Related Party Transactions on its website and also in the Annual Report. This Policy will be communicated to all operational employees and other concerned persons of the Company.
- The Company shall keep and maintain a register either physically or electronically, as may be decided by the Board of Directors, giving separately the particulars of all contracts or arrangements to which this policy applies and such register is placed/taken note of before the meeting of the Board of Directors

8. POLICY REVIEW

This policy is framed based on the provisions of the Companies Act, 2013, and rules thereunder and the requirements of the SEBI (LODR), 2015.

In case of any subsequent changes in the provisions of the Companies Act, 2013 and SEBI LODR or any other regulations (“the Regulations”) which makes any of the provisions in the policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the Policy and the provisions in the policy would be modified in due course to make it consistent with the Regulations.

The Policy shall be reviewed by the Audit Committee as and when any changes are to be incorporated in the policy due to change in the Regulations or as may be felt appropriate by the Committee. Any changes or modification on the Policy as recommended by the Committee would be presented for approval of the Board of Directors. Provided that this policy shall be reviewed by the board of directors at least once every three years and updated accordingly.

This Policy is lastly amended as per the recommendations of the Audit Committee in meeting held on November 11, 2024 and approved by the Board of Directors at its meeting held on November 11, 2024.
