

RELATED PARTY TRANSACTION POLICY

(Approved on Board Meeting dated 28-01-2019)

(Amended at the Board Meeting held on 02-02-2022)

(Amended at the Board Meeting held on 29-05-2025)

RELATED PARTY TRANSACTION POLICY

Sunil Agro Foods Limited (the "Company") recognizes that Related Party Transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stakeholders' best interests. Therefore, this policy on Related Party Transactions has been adopted by the Company's Board of Directors.

“Arm’s Length Transaction (‘ALP’)” means a transaction between two related parties that is conducted as if they are 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” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and the SEBI LODR);

“Board of Directors or Board” means the collective body of the Directors of the Company;

“Ordinary Course of Business (‘OCB’)” means a transaction which is:

- carried out in the normal course of business envisaged in accordance with the Memorandum of Association (‘MoA’) of the Company as amended from time to time, or
- reasonable in the context of the business of the company, or
- common commercial practice, or
- meets any other parameters / criteria as decided by the Board/Audit Committee.

“Relative” with reference to any person shall have the meaning as defined in Section 2(77) of the Act read with Rule 4 of the Companies (Specification of Definition Details) Rules, 2014 and the amendments made thereunder from time to time

“Key Managerial Personnel” in relation to a Company, means key managerial personnel as defined under the Companies Act, 2013 and includes:

- Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole - time Director;
- Company Secretary & Compliance Officer and
- Chief Financial Officer

designated as Key Managerial Personnel by the Board; and such other officer as may be prescribed.

“Related Party”, shall have the same meaning as defined under Section 2(76) of the Companies Act, 2013, applicable accounting standards and Regulation 2(1)(zb) of the SEBI LODR.

"Related Party Transaction" shall have the meaning as defined under Regulation 2(1)(zc) of the SEBI LODR or as envisaged in Section 188(1) of the Act from time to time.

“Transaction” shall be construed to include single transaction or a group of transactions in a contract;

The Company cannot enter into any contract or arrangement with a Related Party without the approval of the Audit Committee subject to the provisions of Companies Act, 2013 read

with rules thereunder and Regulation 23 of SEBI (LODR) Regulations, 2015. 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. The Audit Committee shall be provided with the material facts of all new, existing or proposed Related Party Transactions. The Audit Committee will determine whether to refer the Related Party Transaction to the Board of Directors for consideration or whether such transaction shall be deemed pre-approved. Upon determination, the Audit Committee will refer all Related Party Transactions requiring approval pursuant to this policy to the Board of Directors.

All new Related Party Transactions must be either approved or disapproved by the Board of Directors; any pre-existing Related Party Transactions, if not previously reviewed, must be either ratified or rescinded by the Board of Directors. In assessing a Related Party Transaction, the Board of Directors shall consider such factors as it deems appropriate.

A Related Party Transaction may be approved by the vote of a majority of the Directors who are not Related Parties at a meeting of the Board of Directors. If a Related Party Transaction will be ongoing, the Board of Directors may, in its discretion, establish guidelines for the Company's management to follow in its ongoing dealings with the Related Party. Thereafter, the Board of Directors shall periodically review and assess ongoing relationships with the Related Party to see that they are in compliance with the Board of Directors' guidelines. In the event such contract or arrangement is not in the ordinary course of business or at arm's length, the Company shall comply with the provisions of the Companies Act 2013 and the Rules framed thereunder.