

Jain Farm Fresh Foods Limited

Policy on Materiality and Dealing with Related Party Transactions

1. TITLE

The Board of Directors of Jain Farm Fresh Foods Limited has adopted the following policy and procedures with regard to Related Party Transactions (Dealing with Related Party Transaction 'RPT Policy') in line with the requirements of Section 177, 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules 2014. This policy shall be called "RPT Policy on materiality and dealing with related party transactions" or "the Policy").

2. COMMENCEMENT

This Policy on Materiality and Dealing with Related Party Transactions shall supersede all previous policies on materiality and dealing with related party transactions (whether oral or written), if any, and the Policy on Materiality and Dealing with Related Party Transactions shall come into effect on such date as has been approved by the Board **on 7th June, 2024**.

3. OBJECTIVE

Related party transactions have been one of the major areas of focus for the Corporate Governance reforms being initiated by Indian Legislature through the Companies Act, 2013 and related rules etc.

The changes introduced in the Corporate Governance norms through the Companies Act, 2013 require the companies to have enhanced transparency and due process for approval of the Related Party Transactions (RTP). These policy intends to ensure that there is proper approval and reporting of transactions between the Company and its related parties.

One of such requirements is that companies are required to formulate a policy on materiality of related party transactions and also on dealing with related party transactions.

4. DEFINITIONS

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.

Ordinary course of business usually or normally or as per customs and practices of the company. Following are few examples of transactions that are considered outside the ordinary course of business:

- Complex equity transactions, such as corporate restructurings or acquisitions.
- Transactions with offshore entities in jurisdictions with weak corporate laws. The leasing of premises or the rendering of management services by the entity to another party if no consideration is exchanged.
- Sales transactions with unusually large discounts or returns.
- Transactions with circular arrangements, for example, sales with a commitment to repurchase.
- Transactions under contracts whose terms are changed before expiry.

Note: The assessment of whether a transaction is in ordinary course of business is very subjective, judgmental and can vary on case-to-case basis giving consideration to nature of business and objects of the entity. The purpose of making such assessment is to determine whether the transaction is usual or customary to the company and/ or its line of business. The Company shall variety of factors like size and volume of transactions, arms-length, frequency, purpose, etc., to make this assessment.

Articles or Articles of Association means the articles of association of the Company, as amended from time to time.

Audit committee means the Audit Committee of the Board of Directors of Jain Farm Fresh Foods Ltd.

Board means the Board of Directors of Jain Farm Fresh Foods Ltd.

Company means Jain Farm Fresh Foods Ltd.

Constitution Documents means the Articles the Memorandum of Association and the shareholders agreement executed between Mandala Primrose Co-Investment Limited, the Company and the promoters of the Company.

Investor means Mandala Primrose Co-Investment Limited, having its address at Sanne House, Bank Street, Twenty-Eight, Cyber City, Ebene 72201, Mauritius.

Key managerial Personnel mean key managerial personnel as defined under the Companies Act, 2013 and includes:

- i) Managing Director, or Chief Executive Officer, or manager and in their absence, a whole Time Director;
- ii) Chief Financial Officer
- iii) Company Secretary

Material related party transaction in relation to the Company means a related party transaction which individually or taken together with previous transactions with a related party during a financial year, exceeds the limits specified in Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, or USD 1 million (or its equivalent), whichever higher.

Policy means this policy, as amended from time-to-time.

Related Party in relation to the Company means a party related with the Company in any of the ways as are laid down in Section 2(76) of the Companies Act, 2013.

Related party transaction in relation to the Company means a transaction with a related party as specified in Section 188(1) of the Companies Act, 2013.

5. APPLICABILITY

Notwithstanding anything contained in this Policy: (a) the provisions of this Policy and all the actions specified in this Policy, shall at all times be subject to the provisions of the Constitution Documents and the rights of the Investor under the Constitution Documents; (b) Nothing contained in this policy shall be deemed to be a consent/approval/no-objection/affirmative vote/grant/permission etc of the Investor for any matter and/or item, for which the Investor's consent/approval/no-objection/affirmative vote/grant/permission etc, is required as per any of the Constitution Documents; (c) in the event of any conflict and/or contradiction between the provisions of this Policy and the provisions of the Constitution documents, the provisions of the Constitution Documents shall prevail; (d) if any action is taken by any person as per or pursuant to this Policy, which is in violation, breach, non-compliance and/or conflicting with the provisions of the Constitution Documents, then such action shall be void ab initio; (e) the provisions and/or terms and conditions of this Policy, does not amend, modify and/or supersede the provisions of the Constitution Documents; and (f) the provisions of this Policy does not constitute a waiver and/or release of any claims of any person, for any prior or subsequent breach and/or non-compliance of any of the Constitution Documents.

6. APPROVAL OF RELATED PARTY TRANSACTIONS

- (a) All related party transactions shall require approval of the Audit Committee as per the provisions of the Constitution Documents. The approval of the Audit Committee may also be granted by way of a circular resolution.
- (b) All "material related party transactions" shall require approval of all the Shareholders.
- (c) In case of related party transaction which is not in the ordinary course of business or which is in the ordinary course of business but is not an arm's length transaction or which cumulatively exceeds USD 1 million (or its equivalent) (or such other limit approved as per the Constitution Documents from time to time) during any financial year, whether or not it is a material related party transaction, approval of the Board shall be obtained and if such transaction is also a material related party transactions, approval of Shareholders of the company shall be necessary.

For the purpose of this sub-clause the term 'ordinary course of business' shall mean in relation to any action, transaction or activity of an entity means the carrying out or undertaking of such action, transaction or activity consistent with the past practices of such entity, in the past twelve months and in each case only to the extent consistent with applicable laws and provided such action, transaction or activity of such entity is not with any related party of such entity on a non-arm's length basis. In relation to the Company the reference to 'past practices' and 'past twelve months' shall include, in relation to each asset or business transferred to the Company by the Parent, the practices of the Parent in respect of such asset or business and the period during which they were held by the Parent, to the extent they are within the past twelve months from the time of determination of 'ordinary course of business'. Each transaction in a series of transactions that are individually in the ordinary course of business but when taken together are not shall be deemed to not be in the ordinary course of business.

- (e) A related party transaction which is not a material related party transaction and which is in the ordinary course of the business and at arm's length shall only require the approval of the Audit Committee and the Board wherever applicable.
- (f) Where any Director or Relative of a Director is/are interested in any contract or arrangement with a related party, such director and/or Relative of such Director shall not be present at the meeting during discussions on the subject matter of the resolution relation to such contract or arrangement.

7. PROCESS FOR DEALING WITH RELATED PARTY TRANSACTIONS

- (a) A list of all the related parties in relation to the Company shall be provided by the Company Secretary to all the concerned departments, and updated from time-to-time.
- (b) Every department, prior to entering in to any contract or arrangement with a related party, shall fill the details of the contract or arrangement in the format enclosed as an annexure to the Policy and submit the same to the Company Secretary.
- (c) The Company Secretary shall, within reasonable time (a week) of submission of details, convey to the concerned department the approvals required if any for the contract/arrangement and approximate time within which such approval can be obtained.
- (d) The Company Secretary may ask for further information about the contract/arrangement, if felt necessary, to determine the nature/type of transaction.
- (e) The contract/arrangement shall not be entered into without the necessary approval from the Audit Committee and thereafter either through Board or Shareholders, if such

prior approvals are necessary under the policy.

- (f) The Company Secretary shall arrange for the approval of the audit committee/Board/Shareholders, as may be necessary and upon receipt of necessary approvals, convey the same to the concerned department.

8. AMENDMENTS

The Board of Directors shall have the power to amend any of the provisions of this policy, substitute any of the provisions with a new provision or replace this policy entirely with a new policy..

9. INTERPRETATION

(a) Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or ruled made thereunder, SEBI Act or rules and regulations made thereunder, Listing Agreement, Accounting Standards or any other relevant legislation/law applicable to the Company.

(b) The reference to the male gender in the policy shall be deemed to include a reference to female gender.

(c) In case of any inconsistency between the Policy and the provisions of the Act/Rules Constitution Documents, the Act/Rules/Constitution Documents shall override the Policy to that extent and such provisions of the Policy shall not apply.

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Annexure I
JAIN FARM FRESH FOODS LIMITED
FORMAT FOR REPORTING OF RELATED PARTY TRANSACTIONS

Name of the Department	:	
Name and designation of the person submitting the form	:	
Name of the related party	:	
Nature of relationship of the related party with the Company	:	
Brief description of the contract/arrangement	:	
Total value of the contract/arrangement in Indian rupees	:	
Duration of the contract/arrangement	:	
Advance paid/received if any	:	
Other material terms of the contract/arrangement	:	
Manner of determining commercial terms including pricing	:	
Details of the factors relating to the contract/ arrangement not considered, if any, and rationale for the same	:	
Whether the contract/arrangement shall be considered an 'arm's length transaction' under the policy. If yes then reasons/rationale therefor.	:	
Any other relevant/important information relating to the contract/arrangement which the submitter may like to provide.	:	
Sign	:	
(Name of the submitter)	:	
Date	:	

(To be filled in by the Company Secretary)

Date of the approval by the audit committee :

Date of the approval by the Board :

Date of the approval by shareholders :