

## **MUKKA PROTEINS LIMITED**

### **RELATED PARTY TRANSACTIONS POLICY**

#### **1. Preamble**

The Companies Act, 2013 (“**Act**”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (“**Rules**”), as amended from time to time, introduced specific provisions relating to related party transactions and defined the term related party, related party transactions, relatives and key managerial personnel. The Act and the Rules have also laid down the financial limits and the approval process for such transactions.

In addition, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**Listing Regulations**”), as amended from time to time, amongst others, necessitates all the listed companies to formulate a policy on materiality of related party transactions and also a policy on dealing with related party transactions.

Accordingly, the Board of Directors (**the “Board”**) of Mukka Proteins Limited (**the “Company”**) has adopted this Policy upon the recommendation of the Audit Committee and has set out standard operating procedures to regulate transactions between the Company or its subsidiaries and related parties or its subsidiaries or with any person or entity having purpose and effect of benefitting a related party or its subsidiaries.

The Audit Committee will review and may amend this policy, from time to time, subject to the approval of the Board.

#### **2. The Policy**

Mukka Proteins Limited shall engage with Related Parties on an arm’s length basis to leverage scale, size and drive operational synergies to provide value added, innovative products to its consumers while ensuring that transactions with Related Parties are fully compliant with applicable Regulations.

#### **3. Objective of the Policy**

This Policy is intended to ensure that proper reporting, approval and disclosure processes are in place for transactions between the Company and Related Parties. This policy specifically deals with the review and approval of all material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

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/regulatory provisions in this regard.

#### **4. Definitions and Applicability**

All capitalized terms used in this policy document but not defined herein shall have the meaning ascribed to such term in the Companies Act, 2013 and the Rules framed there under and the Listing Regulations, as amended from time to time.

#### **5. Dealing with Related Party Transactions**

Related Party Transactions are prohibited, unless approved or ratified by the Audit Committee and /or the Board of Directors of the Company in accordance with this policy. In dealing with Related Party Transactions, the Company will follow the following approach:

### **I. Identification of Related Parties and Related Party Transactions**

All Related Party Transactions must be brought to the notice of the Audit Committee of the Company.

Any employee of the Company who is aware of any transaction that is or may be perceived to be a Related Party Transaction is required to bring the same to the attention of the Company Secretary or the Audit Committee of the Company.

All Directors, Members of the Management Committee and Key Managerial Personnel (KMPs) are responsible for informing the Company of their interest in other companies, firms or concerns at the beginning of every financial year and any change in such interest during the year. In addition, all Directors, Members of the Management Committee and KMPs are responsible for providing notice to the Company Secretary of any potential Related Party Transaction involving him/her or his or her relative, including any additional information about the transaction that the Audit Committee may request. The Board shall record the disclosure of interest and the Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

Such notice of any potential Related Party Transaction should be given well in advance so that the Company Secretary has adequate time to obtain and review information about the proposed transaction and to refer it to the Audit Committee.

### **II. Approvals related to Related Party Transactions**

#### **A. Audit Committee**

- a. Related Party Transactions of the Company and subsequent modifications thereto shall require prior approval of the Audit Committee of the Company.
- b. Related Party Transactions to which subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the Audit Committee, if the value of such transaction (individually or taken together with previous transactions during a financial year) exceeds the thresholds as specified in the SEBI (LODR) Regulations, 2015.
- c. The Audit Committee shall while considering any Related Party Transaction be provided with all material facts, all relevant material information, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters, as may be required for taking an informed decision. The Audit Committee while considering any Related Party Transaction can:
  - i. approve the Related Party Transaction; or
  - ii. approve the Related Party Transaction on omnibus basis;
  - iii. where it is not able to approve or reject, forward its recommendation to the Board, or
  - iv. disapprove the Related Party Transaction and in such case, record the reasons for such rejection.
- d. The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company subject to the following conditions:
  - i. The Audit Committee shall lay down the criteria that shall be considered for granting omnibus approval to Related Party Transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.

- ii. The Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company.
- iii. While granting omnibus approval, the Audit Committee 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 crore per transaction.
- e. Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.
- f. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- g. Where the Audit Committee is not approving or rejecting any Related Party Transaction, the Committee can also decide to put up such transaction before the Board and the Board shall consider the same accordingly.
- h. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.
- i. Where with respect to any transaction which is proposed to be entered into with any related party, it is not clear whether such transaction will be treated as a related party, the Company may take assistance of outside counsel.
- j. Only those members of the Audit Committee who are Independent Directors shall approve any Related Party Transaction. 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 said transaction.

#### **B. Board of Directors**

- a. Following Related Party Transactions shall require the approval of Board:
  - i. Where the transaction is not in ordinary course of business and/ or not at arm's length as specified in Section 188(1) of the Act, such Related Party Transaction shall require approval of the Board at their meeting as required under the Act or rules made thereunder and statutory modification or enactment thereof.
  - ii. Transactions other than those mentioned in (i) and/or subsequent material modifications, which are referred by the Audit Committee, shall be placed for consideration for approval of the Board.
  - iii. Material Related Party Transactions including Material Modifications thereof.
- b. Any Board member who has any potential interest in any Related Party Transaction will recuse themselves and abstain from discussion and voting on the approval of the said transaction.

#### **C. Shareholders**

Following Related Party Transactions shall require the approval of shareholders:

- a. All Material Related Party Transactions & subsequent material modifications therein except in case of those RPTs which are exempted from approval of the Company's shareholders, can be entered into only after obtaining the prior approval of the Company's shareholders by way of a resolution, as prescribed in the Act and/or the SEBI (LODR) Regulations, 2015, irrespective of whether such Related Party Transactions have been entered into in the

ordinary course of business of the Company or otherwise, and all Related Parties of the Company shall abstain from voting in favour of such resolution, whether they are a Related Party to the particular transaction or not.

- b. All contracts or arrangements with Related Parties as outlined under Section 188, other than those entered into on an arm's length basis or in the ordinary course of business shall require the approval of the shareholders of the Company by way of a resolution, as prescribed in the Companies Act if the conditions and thresholds prescribed in the Companies Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, are satisfied.
- c. The omnibus approval granted by the shareholders for Material Related Party Transactions in an Annual General Meeting (AGM) shall be valid till the date of the next AGM held within the timelines prescribed under Section 96 of the Act or rules, notifications, or circulars issued thereunder from time to time.
- d. In case of omnibus approvals for Material Related Party transactions, granted by shareholders in general meetings other than AGM, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

### **Material Related Party Transaction**

A transaction with a Related Party shall be considered Material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company.

The annual consolidated turnover of the Company shall be determined based on the last audited financial statements of the Company.

### **Material Modification**

Material Modification of any related party transaction(s) shall mean and include any modification to an existing Related Party Transaction having variance of 25% or more of the transaction value as approved by the Audit Committee/Board/shareholders as the case may be.

### **III. Review and Approval of Related Party Transactions**

To determine the need of a Related Party Transaction, the Audit Committee/Board/Shareholders 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 to the Company and to the Related Party, and such other minimum information to be placed before Audit Committee and Shareholders as prescribed under the Industry Standards Note on Related Party Transactions read with the SEBI (LODR) Regulations, 2015, and the Act and Rules framed thereunder and relevant circulars/notes issued and amended from time to time. In determining whether to approve a Related Party Transaction, the Board/Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- Whether the Related Party Transaction would affect the independence of an independent director;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;

- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

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 or appropriate under the circumstances.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee, Board or Shareholders:

- transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- 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.
- transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between Company on one hand and the Central Government or any State Government or any combination thereof on the other hand.
- Such other transactions as specified may be specified by as may be specified by SEBI (LODR) Regulations, 2015 and/or the Act from time to time.

#### **IV. Related Party Transactions Not Approved Under This Policy**

Subject to the provisions of the Act and the SEBI (LODR) Regulations, 2015, in the event the Company 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/Board, as the case may be.

The Audit Committee/Board shall consider all of the relevant facts and circumstances regarding the Related Party Transaction and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Audit Committee/Board shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Audit Committee/Board under this Policy and shall take any such action it deems appropriate.

The members of the Audit Committee, who are Independent Directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the Audit Committee, whichever is earlier, subject to the following conditions:

- the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed Rs. 1 crore;
- the transaction is not material in terms of the SEBI (LODR) Regulations, 2015;
- rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
- the details of ratification shall be disclosed along with the disclosures of related party transactions;
- relevance of business urgency and whether subsequent ratification would be detrimental to the Company or in contravention of any law.

The Audit Committee may specify any other condition in addition to the above.

The failure to seek ratification of the Audit Committee shall render the transaction voidable at the option of the Committee and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the Company against any loss incurred by it.

In any case, where the Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may recommend the same for approval of Board and/or direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

If any Related Party Transaction is entered without obtaining the consent of the Board or Shareholders, as the case may be, the same is required to be ratified by the Board or the shareholders, as the case may be, within three months from the date on which such transaction was entered into. The Board shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to it under this Policy and shall take any such action it deems appropriate.

If the Related Party Transaction is not ratified by Board or Shareholders as mentioned above, such transaction shall be voidable at the option of the Board or Shareholders, as the case may be, and if the Related Party Transaction is with a party related to any director or is authorised by any other director, the director concerned shall indemnify the Company against any loss incurred by it and the matter shall be dealt with in accordance with the relevant provisions of the Act and Rules and SEBI (LODR) Regulations, 2015.

## **6. Disclosure of Related Party Transactions**

- a. Every Material Related Party Transaction or Related Party Transaction which are not on arm's length basis and/or in ordinary course of business, entered during the financial year, shall be disclosed to in the Board's report to the shareholders in such manner as may be prescribed under the relevant laws.
- b. Adequate disclosure of all material transactions with Related Parties shall be disclosed periodically along with the compliance report on corporate governance.
- c. Details of Related Party Transactions including the ratified transactions shall be submitted to the stock exchanges in the format and in accordance with the timelines, as specified by SEBI from time to time. A copy of such disclosure shall be posted on the website of the Company.

- d. The particulars of Related Party Transactions should be entered in the register(s) maintained under the Act, wherever applicable.

**7. Disclosure of Policy**

This Policy shall be disclosed on the website of the Company and its weblink shall be provided in the Annual Report.

**8. Amendments to the Policy**

The Audit Committee of the Company shall review and may amend this policy from time to time, subject to the approval of the Board of Directors of the Company.

In case of any subsequent changes in the provisions of the Companies Act, 2013, including the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, such provisions would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed at least once in every three years and as and when any changes are to be incorporated to the Policy on account of changes in regulations or as the audit committee may deem fit.

*This policy was approved by the Board of Directors of the Company on 18th January 2022 and amended on 14th May 2024 and 12th February 2026.*