

POLICY ON RELATED PARTY TRANSACTIONS
OF
SHREEJI TRANSLOGISTICS LIMITED

1. SCOPE AND PURPOSE OF THE POLICY

Considering the requirements for approval of Related Party Transactions as prescribed under the Companies Act, 2013 (“the Act”) read with the Rules framed there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“SEBI LODR”), Shreeji Translogistics Limited (“the Company”) has formulated guidelines for identification of Related Parties and the proper conduct and documentation of all Related Party Transactions (“RPTs”).

Also, Regulation 23(1) of the SEBI LODR requires a company to formulate a policy on materiality of Related Party Transactions and dealing with RPTs. The said policy is required to include clear threshold limits approved by the Board.

In light of the above, the Company has framed this Policy on Related Party Transactions (“the Policy”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee of Directors. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board. In addition to the above, this Policy shall be reviewed by the Board of Directors at least once in three years.

2. OBJECTIVE OF THE POLICY

The objective of this Policy is to set out:

- (a) the materiality thresholds and material modifications for RPTs and;
- (b) the manner of dealing with the transactions between the Company and its Related Parties based on the Act, SEBI LODR and any other statute as may be applicable to the Company.

3. MATERIALITY THRESHOLDS AND MATERIAL MODIFICATIONS

The policy on materiality of Related Party Transactions is as stated in Annexure-1.

4. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

a) Identification of Related Parties

The Company shall identify Related Parties as per the definition provided in the applicable laws, including the Act and the SEBI LODR, as amended from time to time.

The Company shall regularly verify and update the Related Party List and review and confirm (at least half-yearly) in accordance with the applicable laws as prevalent.

b) Identification of 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 LODR. 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.

Once the Related Party Transactions are identified, the Management shall categorize the transactions under the following categories as per the Industry Standards on Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction ("the Industry Standards") as notified by SEBI vide its circular dated 14th February, 2025 and then place the applicable disclosures before the Committee/ Shareholders seeking approval:

- a. Material Related Party Transactions
- b. Other Related Party Transactions, but with promoter or promoter group or person/ entity in which promoter or promoter group has concern or interest.
- c. Residual Related Party Transactions.

c) Procedure for approval of Related Party Transactions

• Approval of the Audit Committee

All Related Party Transactions and subsequent material modifications require prior approval of the Audit Committee.

An RPT to which a subsidiary is a party but the Company is not a party, shall require prior approval of the Audit Committee of the Company if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds limits prescribed in SEBI LODR.

However, the Company may obtain omnibus approval from the Audit Committee for such RPTs entered into by the Company or its subsidiary, which are repetitive in nature, subject to compliance with the conditions stipulated under the Act read with the Rules framed thereunder and SEBI LODR.

The Audit Committee of the Company has specified following criteria for granting omnibus approval:

1. The transaction is of repetitive nature.
2. There is a justification for the need to grant omnibus approval.
3. The aggregate value of all transactions in a financial year does not exceed Rs. 10 crore.
4. The value per transaction with one party does not exceed Rs. 7 crore.
5. The transactions are in the ordinary course of business and at arm's length.
6. The details viz., name of the related party, nature of transaction, period of transaction, maximum amount of transaction, the indicative base price, or current contracted price and the formula for variation of price, if any, and whether the transaction is in the ordinary course of business and on an arm's length basis, are placed at the time of seeking omnibus approval.
7. Omnibus approval shall not be granted by the Audit Committee for the transactions with related parties involving selling or disposing of the undertaking of the Company.

Where the need for RPT cannot be foreseen and the 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;

The 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 approvals given;

Such omnibus approvals shall be valid for a period not exceeding 1 year and shall require fresh approvals after the expiry of such financial year.

Only those members of the Audit Committee, who are independent directors, shall approve the related party transactions.

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 such

conditions as mentioned in Regulation 23(2) of SEBI LODR. Provided that failure to seek ratification of the Audit Committee shall render the transaction voidable at the option of the Audit 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.

The Audit Committee, at the time of approval of RPTs, shall take into consideration the minimum information about the RPTs as specified in the Industry Standards.

In case of transactions, other than transactions referred to in Section 188 of the Act and where the Audit Committee does not approve any transaction, it shall make its recommendation to the Board.

Approval or subsequent modification of a transaction (other than those transactions stipulated under Section 188 of the Act) with the Company's wholly owned subsidiaries, shall not require approval of the Audit Committee.

- **Approval of the Board of Directors of the Company**

As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section, which are not in the ordinary course of business or at arm's length basis, shall be placed before the Board for its approval. Such approval shall be granted only by means of a Resolution passed at a Meeting of the Board. The Company may if it considers necessary and shall if the Audit Committee or Board so requires, seek external professional opinion to determine whether a Related Party Transaction is in the Ordinary Course of Business and/ or at Arms' Length.

In addition to the above, the following kinds of transactions with Related Parties are also placed before the Board for its approval:

- Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the Policy determined by the Board from time to time (i.e. value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
- Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/ or at arm's length basis and decides to refer the same to the Board for approval;
- Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view require Board approval.

- Transactions meeting the materiality thresholds laid down under Clause 3 of the Policy, which are intended to be placed before the shareholders for approval.

Where any director is interested in any contract or arrangement with a Related Party, such director shall not be present at the meeting during discussions on the subject matter of the resolution related to such contract or arrangement.

- **Approval of the Shareholders of the Company**

All the transactions with Related Parties which exceed the materiality thresholds, as laid down in Annexure-1, shall be placed before the shareholders for approval.

Further, all the subsequent Material Modifications to RPTs, as defined in Annexure-1, shall also require shareholders' approval.

In addition to the above, all kinds of transactions specified under Section 188 of the Act which (a) are not in the ordinary course of business or are not at arm's length basis; and (b) exceed the thresholds laid down in the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, shall be placed before the shareholders for approval.

For this purpose, no Related Party shall vote to approve such resolutions irrespective of whether the entity is a Related Party to the particular transaction or not.

However, the requirement for seeking shareholders' approval shall not be applicable to transactions between the Company and its wholly-owned subsidiary(ies) whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

The explanatory statement contained in the notice sent to the shareholders for seeking their approval for an RPT shall provide the minimum information as specified in Industry Standards in addition to the requirements under the Companies Act, 2013 and SEBI LODR, so as to enable the shareholders to take a view whether the terms and conditions of the RPT are favorable to the listed entity.

5. ORDINARY COURSE OF BUSINESS

It means a transaction which is:

- i. Carried out in the normal course of business envisaged in accordance with Memorandum of Association of the Company as amended from time to time.
- ii. Historical practice with a pattern of frequency; or

- iii. Common commercial practice; or
- iv. Meets any other parameters/ criteria as decided by Board/ Audit Committee.

6. DISCLOSURE AND REPORTING

1. 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.
2. The explanatory statement contained in the notice sent to the shareholders for seeking their approval for an RPT shall provide the minimum information as specified in Industry Standards in addition to the requirements under the Companies Act, 2013 and SEBI LODR.
3. Details of the RPTs during the quarter shall be disclosed in the Audit Committee Meeting.
4. The Company shall disclose to the Stock Exchange along with the compliance report on corporate governance on a quarterly basis details of all material transactions with Related Parties. In addition, as required under Regulation 23(9) of the SEBI LODR, the Company shall submit on the date of publication of its standalone and consolidated financial results for the half year, disclosures of RPTs on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.
5. Contracts or arrangements approved not in the ordinary course of business or at arm's length shall be disclosed in the Board's report along with justification for entering such contract or arrangement. The Company shall maintain a register of such contracts and disclose transactions with related parties in its annual report and material related party transactions in corporate governance report.
6. This Policy shall be communicated to all concerned employees and other persons of the Company at all locations for implementation and reporting.

ANNEXURE-1

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS

1. OBJECTIVE

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), as amended from time to time, requires a company to inter alia formulate a policy on materiality of Related Party Transactions (including clear threshold limits duly approved by the Board of Directors). Further, the said Regulation also states that the audit committee of a listed entity shall define “material modifications” and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions.

2. MATERIALITY THRESHOLDS

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 the following materiality limits:

Nature of Transactions	Materiality as per Companies Act, 2013 (A)	Materiality as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (B)
Sale, purchase or supply of any goods or materials directly or through appointment of agents	Exceeding 10% of Turnover	All transactions with one party exceeding 10% of the annual consolidated turnover
Buying, selling or disposing of property of any kind directly or through appointment of agents	Exceeding 10% of Networth	
Leasing of any kind of property	Exceeding 10% of Turnover	
Availing or rendering of any services directly or through appointment of agents	Exceeding 10% of Turnover	
Appointment to any office or place of profit in the company, its subsidiary company or associate company	Monthly remuneration exceeding Rs. 2,50,000/-	
Remuneration for Underwriting the subscription of any securities in or derivatives	Exceeding 1% of net worth	

thereof		
Transfer of resources (e.g. loans and advances, interest thereof. guarantees)		
Transaction involving payments made to a Related Party with respect to brand usage or royalty		Transactions with one party exceeding 5% of the annual consolidated turnover

Here, Networth and Turnover would be as per Audited Financial Statements of the preceding financial year and the Company has defined Material RPTs based on the thresholds defined as per Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI LODR.

3. MATERIAL MODIFICATIONS

Material Modifications shall mean an amendment to the terms of a transaction/ agreement/ commitment with/ to a Related Party, the effect of which will be an increase over the approved limit for a transaction, by an amount more than Rs. 10 (Ten) Crore in a financial year or 20% (twenty per cent) of the approved limit, whichever is lower.

Provided that material modifications shall be deemed to include the following, without application of the above criteria:

- a) In case of a loan or deposit or any other means of funding, any deviation in the objects or purposes for which the loan or deposit was given or funding was made or received;
- b) In case of any other transaction or agreement, any amendment which will have an effect of:
 - (i) deferring the consummation of such transaction or agreement by a period beyond one year from the existing approved term/ period; or
 - (ii) renewing or extending the term of the transaction or agreement for a period exceeding one year of its existing approved term / period.

Provided further that any modification to the transactions/ agreements entered into:

- a) for sale, purchase or supply of any goods or materials or availing or rendering of any services in the ordinary course of business and on arm's length basis;
- b) between the Company and its wholly owned subsidiary;
- c) transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the annual general meeting for approval,

shall be excluded from the applicability of above definition.

4. APPLICABILITY

All material Related Party Transactions and subsequent Material Modifications shall require approval of the shareholders through a resolution and no Related Party shall vote to approve such resolutions whether the entity is a Related Party to the particular transaction or not.

REVISION HISTORY

Sr. No.	Date of adoption & subsequent modifications	Approved by
1.	10/02/2022	Board of Directors
2.	30/05/2025	Board of Directors