
**POLICY ON MATERIALITY OF
RELATED PARTY TRANSACTIONS AND ON DEALING
WITH RELATED PARTY TRANSACTIONS**

Amended at the Board Meeting held on 30.01.2026

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I. PREAMBLE

The Companies Act, 2013 ("the Act") and the Companies (Meetings of Board and its Powers) Rules, 2014 ("the Rules") prescribe the framework, limits, and approval process for related party transactions. Additionally, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") set out specific requirements for listed entities. In compliance with Regulation 23(1) of SEBI LODR, the Board of Directors of Nitta Gelatin India Limited has adopted a Policy on the materiality of and dealing with related party transactions.

II. OBJECTIVE

The Policy and procedures have been designed to achieve due and timely compliance with the statutory requirements governing related party transactions by ensuring that:

- i. Related Parties are identified;
- ii. Related Party Transactions are evaluated;
- iii. Necessary approvals are obtained;
- iv. Related Party Transactions are recorded; and

Proper disclosures of the Policy and the Related Party Transactions are made including disclosure of all transactions in the Annual Financial Statements and applicable disclosure to the Stock Exchange in prescribed format and within prescribed timelines.

III. SCOPE

This Policy is applicable to all related party transactions.

IV. DEFINITIONS & EXPLANATIONS (Please refer to Annexure - A)

V. POLICY

A. Audit Committee approval

- (1) All Related Party Transactions except (ii) below and any subsequent material modifications, shall require the prior approval of the Audit Committee (only those members of the Committee who are Independent Directors to approve the Related Party Transactions and subsequent material modifications) or the Board of Directors or the Shareholders of the Company, as the case may be, as required under and subject to the Act and the SEBI (LODR)2015.
 - a) Provided that where the need for Related Party Transactions cannot be foreseen and the details as required in normal case for approval of RPT 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 be provided with minimum information as stipulated under SEBI LODR:

(ii) Prior approval of Audit Committee shall not be required in following cases:

- (a) Transactions in the nature of payment of statutory dues, statutory fees or statutory charges entered into between the Company/ Subsidiary Company on one hand and Central Government/ State Government or combination thereof on the other hand.
- (b) Remuneration and sitting fees paid by Company or its subsidiary to its director, KMP or senior management, except who is part of promoter or promoter group, if the same is not a Material in terms of provisions of sub-regulation (1) of Regulation 23 of SEBI LODR.

- (c) A Related Party Transaction to which the subsidiary of the Company is a party but the Company is not a party and the value of such transaction, whether entered into individually or taken together with previous transactions during a financial year, does not exceed ten per cent of the Annual Standalone Turnover, as per the last audited financial statements of the subsidiary;
- (2) In case the Audit committee decides to ratify the RPT, only those members of the Audit Committee who are independent directors, shall ratify the RPT 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:
 - a) The value of the ratified transaction(s) with a Related Parties, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
 - b) The transaction is not a Material RPT;
 - c) Rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
 - d) The details of ratification shall be disclosed along with the disclosures of RPTs submitted
 - e) Any other condition as specified by the Audit Committee;

Related Party Transactions to which the subsidiary of the Company 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 individually or taken together during a Financial Year exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company.

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

A related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of Company 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 individually or taken together during a FY exceeds lower of the following –

- (i) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- (ii) the threshold for material related party transactions of the Company as specified in Schedule XII which is mentioned elsewhere in this policy.

In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of a Company is a party but the listed entity is not a party and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the Company shall be obtained if the value of such transaction exceeds the lower of the following:

- (i) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
- (ii) the threshold for material related party transactions of Company as specified in Schedule XII of these regulations: Provided that the aggregate value of paid-up share capital and securities premium account of the subsidiary shall be taken as on a date, not older than three months prior to the date of seeking approval of the audit committee.

B. Board of Directors' approval

All Related Party Transactions that are:

- not in the ordinary course of business, or
- in the ordinary course of business but not at arms' length or
- neither in the ordinary course of business nor at arms' length

shall require the approval of the Board of Directors.

C. Shareholders' approval

(i) Regulation 23(4) of the SEBI LODR 2015

All Material Related Party Transactions and subsequent material modifications as defined by the Audit Committee shall require prior Shareholders' approval, through a Resolution. All Related Parties (irrespective of whether the Company is a party to the particular transaction or not) shall abstain from voting on such resolution.

The omnibus approval granted by the shareholders for material Related Party Transactions in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Companies Act, 2013 or rules, notifications, or circulars issued thereunder from time to time.

In case of omnibus approvals for material related party transactions, granted by shareholders in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

The notice being sent to the shareholders seeking approval for any proposed RPT shall, in addition to the requirements under the Companies Act, 2013, include the following information as a part of the explanatory statement:

- a. A summary of the information provided by the management of the listed entity to the audit committee.
- b. Justification for why the proposed transaction is in the interest of the listed entity;
- c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.
- d. A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;
- e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
- f. Any other information that may be relevant

ii) Under the Act

In case the value of transactions to be entered into with the related party exceed the limits specified under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, such transactions shall be entered into only with the prior approval of the Company by a resolution.

D. Domestic Related Party Contracts/ Arrangements:

All domestic related party contracts/ arrangements shall, wherever applicable, comply with Domestic Transfer Pricing Requirements under Section 92B of Income Tax Act, 1961.

E. International Related Party Contracts/ Arrangements:

All international related party contract/ arrangement shall comply with International Transfer Pricing Requirement under Section 92B of Income Tax Act, 1961

F. Identification or Potential Related Party Transactions

Each Director and Key Managerial Personnel is responsible for providing advance notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board / Audit Committee may reasonably request. The Board / Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

G. Disclosure to the Stock Exchange

RPT disclosure to be made to the Stock Exchange in the prescribed format within the prescribed timelines.

H. Process for approval

1. All Related Party Transactions shall be referred to the next regularly scheduled meeting of the Audit Committee for review and approval.
2. The Audit Committee will determine, in line with this Policy, whether the transaction submitted to it does, in fact, constitute a Related Party Transaction, requiring compliance under this Policy.
3. Review and Approval of Related Party Transactions
 1. Any Director, who is interested in any Related Party Transaction, shall recuse himself or herself from discussion and voting on the approval of the Related Party Transaction.
 2. To review a Related Party Transaction, the Audit Committee will be provided with all relevant material information of the Related Party Transaction.

VI. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc, shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

VII. DISCLOSURE OF RELATED PARTY TRANSACTION

1. All contracts or arrangements which require Board approval shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.
2. The Explanatory Statement annexed to the Notice convening General Meeting for seeking the Shareholders' approval for the Related Party Transaction shall contain the following details, in accordance with the minimum information to be made available to the shareholders as per SEBI Circular:

- a. A summary of the information provided by the management of the Company to the audit committee for approval of RPTs.
 - b. Justification for why the proposed transaction is in the interests of the Company
 - c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details provided to Audit Committee in this regard.
 - d. A statement that the valuation or other external report, if any relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;
 - e. Percentage of the counter- party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis
 - f. Any other information that may be relevant.
3. The Policy on materiality of related party transactions and on dealing with related party shall be uploaded on the Company's website and a web link thereto shall be provided in the Annual Report.
 4. This Policy will be communicated to all operational employees and other concerned persons of the Company.

VIII. REVIEW BY THE AUDIT COMMITTEE

This Policy will be reviewed as and when required, but at least once in three years.

ANNEXURE - A

DEFINITIONS AND EXPLANATIONS

i. Ordinary Course of Business

Ordinary course of business shall include the usual transactions, customs and practices of the company, or transactions permitted by the Object Clause in the Memorandum of Association of the Company, or transactions that are considered while computing the business income / revenue / turnover of the Company as opposed to "income from other sources".

ii. Related Party Transaction

a. Under Regulation 2 (1) (zc)

A related party transaction means a transfer of resources, services or obligations between

- i. 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
- ii. 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; Regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Exclusions from the purview of RPT:

- a. the issue of specified securities on a preferential basis, subject to compliance with SEBI (ICDR) 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

- (iv) buy back of securities
- c. acceptance of FD by banks/ NBFC at the terms uniformly applicable/ offered to all shareholders/ public, subject to disclosure of the same along with the disclosure of RPT on half yearly basis to Stock exchanges in the prescribed format.
- d. acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:
Explanation: For the purpose of clauses (c) and (d) above, acceptance of deposits includes payment of interest thereon.
- e. retail purchases from the company or its subsidiary by the directors or key managerial personnel of the company or its subsidiary, and relatives of such directors or key managerial personnel, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel

b. Under Section 188 of the Act

Any contract or arrangement with a Related Party with respect to the following shall be considered as a Related Party Transaction:

- sale, purchase or supply of any goods or materials;
- selling or otherwise disposing of, or buying, property of any kind;
- leasing of property of any kind;
- availing or rendering of any services;
- appointment of any agent for purchase or sale of goods, materials, services or property;
- appointment of a related party to any office or place of profit in the company, its subsidiary company or associate company;
- underwriting the subscription of any securities or derivatives thereof of the Company

iii. Material Related Party Transactions

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 thresholds as per schedule XII as specified below –

Consolidated Turnover of Listed Entity Threshold	Threshold
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹20,000 Crore to upto ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5000 Crores, whichever is lower

iv. Materiality limit

A Related Party Transaction is deemed to have subsequently undergone if there is 'any variation having an impact on the monetary limits already approved by the Audit Committee or Shareholders, exceeding 10 percent (both upward and downward), in each case, over and above the approved limits.