



BAMBINO AGRO INDUSTRIES LIMITED
POLICY ON RELATED PARTY TRANSACTIONS

Bambino Agro Industries Limited
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1. PREAMBLE

The Board of Directors (the “Board”) of Bambino Agro Industries Limited (the “Company”) has adopted this Policy upon the recommendation of the Audit Committee and the said Policy includes the materiality threshold and the manner of dealing with Related Party Transactions (“Policy”) in compliance with the requirements of Section 188 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 with the Stock Exchanges in India. Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions.

2. OBJECTIVE

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

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 provisions in this regard.

3. 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.

“**Audit Committee or Committee**” means the Committee of the Board constituted from time to time under the provisions of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

“**Board**” means the Board of Directors as defined under the Companies Act, 2013.

“**Key Managerial Personnel**” means Key Managerial Personnel as defined under the Companies Act, 2013.

“**Material Related Party Transaction**” means a Related Party Transaction which individually or taken together with previous transactions during the financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such limits as may be prescribed either in the Companies Act, 2013 or SEBI (LODR) Regulations, 2015, whichever is stricter, from time to time.

“**Related Party**” a means related party as defined under the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015 and as amended from time to time.

“**Related Party Transaction**” means any transaction between the Company and any Related Party for transfer of resources, services or obligations, regardless of whether a price is charged and includes –

- a. Sale, purchase or supply of any goods or materials;
- b. Selling or otherwise disposing of, or buying property of any kind;
- c. Leasing of property of any kind;
- d. Availing or rendering of any services;
- e. Appointment of any agent for the purchase or sale of goods, materials, services or property;

- f. Such related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company;
- g. Underwriting the subscription of any securities or derivatives thereof, of the Company;

“Relative” means a relative as defined under the Companies Act, 2013 and includes anyone who is related in any of the following manner –

- a. Members of a Hindu undivided family;
- b. Husband or wife;
- c. Father (including step-father);
- d. Mother (including step-mother);
- e. Son (including step-son);
- f. Son's wife;
- g. Daughter;
- h. Daughter's husband;
- i. Brother (including step-brother); or
- j. Sister (including step-sister).

“Transaction” with a related party shall be construed to include a single transaction or a group of transactions.

The terms **Director, Chief Financial Officer, Company Secretary**, shall have the same meaning as assigned under the Companies Act, 2013.

4. POLICY

The Audit Committee shall review and approve all Related Party Transactions based on this Policy.

All proposed Related Party Transactions must be reported to the Audit Committee for prior approval by the Committee in accordance with this Policy. In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre – approval / omnibus approval, details whereof are given in a separate section of this Policy.

In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Committee may ratify the transactions in accordance with this Policy.

IDENTIFICATION OF RELATED PARTY TRANSACTIONS

Each Director and Key Managerial Personnel (KMP) is responsible for providing notice to the Board/Audit Committee of any potential Related Party Transaction (RPT) involving him/her or his/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 RPT requiring compliance with this policy. The Board/Audit Committee may delegate such powers to the officer(s) of the Company as it deems fit.

- Transactions with Related Parties which require prior approval of the Audit Committee/Board, the Chief Financial Officer (CFO) shall be responsible to notify the Audit Committee/ Board of any such potential RPTs.
- Such notice of any potential RPT shall be given well in advance to the Board/Audit Committee and shall also contain adequate information about the Related Party transaction(s). This will provide the Board/Audit Committee members adequate time and information to consider and review the proposed transaction(s).

REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION

All Related Party Transactions shall be subject to the approval of the Audit Committee whether at a meeting or by resolution by circulation or through electronic mode. A member of the Committee who (if) has a potential interest in any Related Party Transaction will not remain present at the meeting or abstain from discussion and voting on such Related Party Transaction and shall not be counted in determining the presence of a quorum when such Transaction is considered.

CONSIDERATION BY THE COMMITTEE IN APPROVING THE PROPOSED TRANSACTIONS

While considering any transaction, the Committee shall take into account all relevant facts and circumstances 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.

While seeking the approval of the Audit Committee, Board and the Shareholders, wherever required, all information that is relevant and necessary to the RPT and as prescribed under the Laws or by the Audit Committee or the Board, shall be duly provided to the Audit Committee, Board and Shareholders as the case may be.

- The Audit Committee may grant omnibus approval for RPTs considering the repetitive nature of the transactions.
- The Audit Committee shall specify the criteria for granting omnibus approvals to the RPTs proposed to be entered into by the Company in the manner and to the extent prescribed under the Laws. Such omnibus approvals shall be valid for one financial year. The Audit Committee shall, while granting such omnibus approvals, satisfy itself about the adherence to the criteria so specified by it.
- The Audit Committee shall satisfy itself about the need for such omnibus approval and that such approval is in the interest of the Company.
- The omnibus approval granted by the Audit Committee shall include the particulars as prescribed under the Act and the Regulations.
- In case of any RPTs that cannot be foreseen or transactions in respect of which complete details are not available, the Audit Committee may grant an omnibus approval for such transactions provided that the value does not exceed Rs.1 crore per transaction.
- The Audit Committee shall not grant omnibus approval for transactions in respect of selling or disposing of the undertaking of the Company.
- Any Director or KMP who is interested in any RPT shall not be present at the meeting of the Board or Audit Committee during discussions on the subject matter of the resolution relating to such transaction.
- The Audit Committee shall review, on a quarterly basis, the details of all related party transactions entered into by the Company.
- The Board of directors of the Company, on recommendation of the Audit Committee, may review the policy from time to time and amend appropriately to ensure conformity with the applicable Acts/Rules/Regulations including amendments thereof.

APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS

All Material Related Party Transactions shall require approval of the shareholders and the Related Parties shall abstain from voting on such resolution.

TRANSACTIONS NOT IN ORDINARY COURSE OF BUSINESS OR NOT AT ARM'S LENGTH

All Related Party Transactions in excess of the limits prescribed under the Companies Act, 2013, which are not in the Ordinary Course of Business or not at Arms' Length shall also require the approval of the shareholders and the Related Parties shall abstain from voting on such resolution.

RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED

In the event the Company becomes aware of a Related Party Transaction that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practicable before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and ratification. The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company shall take such action as the Committee deems appropriate under the circumstances.

DISCLOSURE AND REPORTING OF RELATED PARTY TRANSACTIONS

Appropriate disclosures shall be made in its Annual Report and to the Stock Exchanges on which equity shares of the Company are listed and at such other places as may be prescribed under the Acts/Rules/Regulations including amendments thereof.
