



RANA SUGARS LIMITED

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POLICY ON RELATED PARTY TRANSACTIONS **UNDER REGULATION 23 (1) OF SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

1. PREAMBLE

The Board of Directors' (the "Board") of Rana Sugars 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 (the "Act"), other applicable Provisions of the Act, Rules framed there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") amended from time to time. Any amendment in the said Acts/Regulations at any point of time in future shall be automatically deemed to be incorporated herein. Amendment to this Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee and the Board shall review this Policy at least once every three years.

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. DEFINITIONS

- **"Audit Committee or Committee"** means the Committee of the Board constituted from time to time under the provisions of Clause 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 177 of the Companies Act, 2013.
- **"Arm's Length Transaction"** means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest.
- **"Associate Company"** means any other Company, in which the Company has a significant influence, but which is not a Subsidiary Company of the Company having such influence and includes a joint venture company.
- **"Board"** means the Board of Directors of Rana Sugars Limited.
- **"Key Managerial Personnel"** means Key Managerial Personnel as defined under the Companies Act, 2013.
- **"Material Related Party Transaction"** in terms of SEBI LODR means a transactions to be entered into with a Related Party, individually or taken together with previous transactions during the financial year, if exceed the following thresholds:

S. No	Consolidated Turnover of Listed Entity	Threshold
1.	Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the listed entity
2.	More than Rs. 20,000 Crore to upto Rs. 40,000Crore	Rs. 2,000 Crore + 5% of the annual consolidated turnover of the listed entity above Rs. 20,000 Crore
3.	More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above Rs. 40,000 Crore or ₹5000 Crores, whichever is lower.

- **“Related Party”** will have the same meaning as defined under Section 2(76) of the Act and Regulation 2(1) (zb) of the SEBI (“Listing Regulations”).
- **“ISN”** means Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”, including any modification(s) / amendment(s) / re-enactment(s) thereof.
- **“Related Party Transaction”** means transaction involving transfer of resources, services or obligations regardless of whether a price is charged.

The RPT shall include transactions between:

- A. 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
- B. 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.

Explanation: A “transaction” with a Related Party shall be construed to include single transaction or a group of transactions in a contract.

- **“Relative”** means a relative as defined under the Section 2(77) of Companies Act, 2013
- **“Transaction”** with a related party shall be construed to include a single transaction or a group of transactions.
- **“Ordinary Course of Business”** means a transaction which is:
 - i) Carried out in the normal course of business envisaged in accordance with the Memorandum of Association (‘MOA’) of the Company as amended from time to time,
 - ii) historical practice with a pattern of frequency,
 - iii) in connection with the normal business carried on by the Company
 - iv) the income, if any, earned from such activity/ transaction is assessed as business income in the Company’s books of accounts and hence is a business activity,
 - v) common commercial practice
 - vi) meets any other parameters/ criteria as decided by the Board/ Audit Committee
- **“Material Modifications”:** in terms of SEBI LODR means any modification(s) in the pricing, quantity or overall transaction value having a variance of 20% (twenty per cent.) or more, in the relevant previously approved related party transaction.

4. POLICY

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

All proposed Related Party Transactions must be undertaken with prior approval of the Audit 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 and as per the Industrial Standard.

4.1 IDENTIFICATION OF RELATED PARTY TRANSACTIONS

Every Director and Key Managerial Personnel will be responsible for providing a declaration in the prescribed form MBP-1 every year in the first Board meeting of the financial year on an annual basis. Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in the information furnished by him immediately on him/ her becoming aware of such changes.

The Company Secretary shall be responsible to maintain an updated database of information pertaining to Related Party Transactions in the prescribed form MBP-4.

Every Director, Key Managerial Personnel, Functional/ Business heads/ Chief Financial Officer will be responsible for providing prior Notice to the Company Secretary of any potential Related Party Transaction. They will also be responsible for providing additional information about the transaction that the Board/ Committee may request, for being placed before the Committee and the Board. The information will be provided as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time.

The Chief Financial Officer in consultation with Company Secretary may refer any potential related party transaction to any external legal/ valuation expert and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee. Based on this Notice, the Company Secretary will take it up for necessary approvals under this Policy.

4.2 REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION

(A) Audit Committee

Every Related Party Transaction and subsequent Material Modifications shall be subject to the prior approval of the Audit Committee.

Members of the Audit Committee, who are independent directors, shall only approve related party transactions.

(B) The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiaries subject to compliance of the conditions contained in Act and SEBI LODR, as amended from time to time.

The Company shall, while placing any proposed Related Party Transaction before the Committee for review and approval, provide the information in the format specified in the ISN and such other information as may be called for by the Audit Committee:

The ISN shall not be applicable to:

- a) Transactions exempted under Regulation 23(5) of the SEBI LODR; and
- b) Quarterly review of RPTs by the Audit Committee in terms of Regulation 23(3)(d) of SEBI LODR.
- c) Transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year (including which are approved by way of ratification) do not exceed rupees one crore.

The omnibus approval shall be valid for a period of one year from the date of approval.

Where the need for related party transaction(s) cannot be foreseen and specific details are not available, audit committee may grant omnibus approval for such transaction(s), subject to value of such transactions not exceeding rupees one crore per transaction.

- The Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.
- Prior approval of the Audit committee shall be required for:
 - a) All RPTs and subsequent Material Modifications;
 - b) 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 the Company is a party but the Company is not a party, if the value of such transaction, exceeds the 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 Transaction.
 - c) 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 Company is not a party and

such subsidiary does not have audited financial statements for a period of at least one year, 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;
- ii) the threshold for Material Related Party Transactions of the Company.

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.

Provided that prior approval of the Audit Committee of the Company shall not be required for RPTs where a listed subsidiary of the Company is a party but the Company is not a party, if regulation 23 and 15 (2) of SEBI LODR are applicable to such listed subsidiary.

- Notwithstanding anything to the contrary in this Policy, 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:

- i) 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 rupees one crore;
- ii) the transaction is not material in terms of the provisions of Regulation 23(1) of SEBI LODR;
- iii) rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
- iv) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the Regulation 23(9) of SEBI LODR;
- v) any other condition as specified by the Audit Committee:

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 party related to any director, key managerial personnel and promoters, or is authorised by any other director, key managerial personnel and promoters, the concerned director, key managerial personnel and promoters shall indemnify the Company against any loss incurred by it.

- If any additional Related Party Transaction is to be entered by the Company post omnibus approval granted by the Audit Committee, then the Company shall present such transaction before the Audit Committee in its next meeting for its prior approval.
- The Audit Committee shall also review the statement of significant related party transactions submitted by management as per its terms of reference.
- Any member of the Audit Committee who has a potential interest in any Related Party Transaction shall abstain from discussion and voting on the approval of the Related Party Transaction.
- To review proposed RPTs placed before the Committee for approval alongwith the information in the format specified in the ISN. .
- The Audit Committee shall recommend the Related Party Transactions for approval of Board of Directors / Shareholders, as per terms of this Policy.

➤ **Approval of the Board and the Shareholders**

- All Related Party Transactions which are not in the ordinary course of business or not at the arm's length price shall require prior approval of the Board of Directors of the Company. Where any director is interested in any Related Party Transaction, such director will abstain from discussion and voting on the subject matter of the resolution relating to such RPT

Further, all related party transactions which are not in the ordinary course of business or not at the arm's length price and are exceeding threshold limits prescribed in section 188 of the Act as amended from time to time shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and all entities falling under the definition of Related Parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.

Further, the information as prescribed under Act and/or the SEBI LODR, from time to time shall be provided in the Notice to the shareholders for consideration of RPTs.

- All the Material Related Party Transactions and subsequent Material Modifications shall require prior approval of the Board and shareholders through Ordinary Resolution and no Related Party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that prior approval of shareholders of the Company shall not be required for RPTs where listed subsidiary is a party but the Company is not a party, if Regulation 23 and 15(2) of SEBI LODR are applicable to such listed subsidiary

Provided further that the aforesaid requirements shall not apply in Version II (Jan.2026) Page 11 respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Provided further that the Related Party Transactions entered into by the Company with its wholly owned subsidiary(ies) whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval, shall not require approval of the audit committee, board or shareholders

Provided further that the provisions pertaining to:

- Prior approval of the Audit Committee for all RPTs;
- Omnibus approval for RPTs; and
- Prior approval of audit committee, board or shareholders for Material Related Party Transactions and subsequent Material Modifications

shall not be applicable when the transactions are entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

5. TRANSACTIONS WHICH DO NOT REQUIRE APPROVAL

Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party including following:

- (a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) the following corporate actions 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; and
 - iv) Buy-back of securities.
- (c) Retail purchases from the Company or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors.

(d) The remuneration and sitting fees paid by the Company or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group provided that the same is not material in terms of the provisions of Regulation 23(1) of SEBI LODR.

6. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

If a Related Party Transaction is entered into by the Company without being approved under this Policy, the same shall be reviewed by the Audit Committee. The Audit Committee shall evaluate the transaction and may decide such action as it may consider appropriate including ratification (subject to terms of this Policy), revision or termination of the Related Party Transaction. The Audit Committee may examine the facts and circumstances of the case and take any such action it deems appropriate.

7. DISCLOSURES

- Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.

The Company shall submit information related to RPTs to the stock exchanges every six months, in the format specified by the SEBI LODR, simultaneously with the publication of financials and also publish the same on its website.

Provided that the remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure provided that the same is not material in terms of the provisions of sub-regulation (1) of SEBI LODR.

- The Company shall disclose policy on dealing with Related Party Transactions on its website and also in the Annual Report.
- RPTs shall be disclosed in Annual Report, as per applicable provisions of Act and SEBI LODR
- The Company shall also get the Related Party Transactions reviewed by independent third party (preferably one of the top 6 audit firms or any other chartered accountant firm as may be approved by Audit Committee) on a quarterly basis and obtain a certificate that the Related Party Transactions are in ordinary course of business & undertaken at Arms' length and such certificate shall be placed before the Audit Committee on quarterly basis.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

8. POLICY REVIEW

This policy is framed based on the provisions of Act, and rules thereunder and the requirements of the SEBI LODR.

In case of any subsequent changes in the provisions of Act and SEBI LODR or any other regulations ("the Regulations") which makes any of the provisions in the policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the Policy and the provisions in the policy would be modified in due course to make it consistent with the Regulations.

The Policy shall be reviewed by the Audit Committee as and when any changes are to be incorporated in the policy due to changes in the Regulations or as may be felt appropriate by the Committee. Any changes or modification on the Policy as recommended by the Committee would be presented for approval of the Board of Directors. Provided that this Policy shall be reviewed by the Board at least once every three years and updated accordingly.

This Policy is lastly amended as per the recommendations of the Audit Committee meeting held on 29th May, 2026 and approved by the Board of Directors at its meeting held on 29th May, 2026.