

AJOONI BIOTECH LIMITED

RELATED PARTY TRANSACTIONS POLICY

Introduction

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Considering the requirements for approval of Related Party Transactions as prescribed under the Companies Act, 2013 (“Act”) read with the Rules framed there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulation 23”) and as amended from time to time, Ajooni Biotech Limited (the Company) has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions. Also, Regulation 23(1) of the SEBI Listing Regulations requires the company to formulate a policy on materiality of related party transactions and dealing with related party transactions.

In the light of the above, the Company has framed this Policy on Related Party Transactions (“Policy”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee.

Definitions

“**Act**” means the Companies Act, 2013

“**SEBI Listing Regulations**” means SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.

“**Regulation 23**” means the Regulation no. 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time.

“**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.

“**Ordinary course of business**” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the company can undertake as per Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

“**Company**” means Ajooni Biotech Limited.

“**Relative**” with reference to a Director or KMP means persons as defined in Section 2(77) of the Act and rules prescribed thereunder.

“**Related Party**” have the meaning as defined in Section 2(76) of Companies Act, 2013 and Regulation 2(1)(zb) of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended.

"Related Party Transaction" have the meaning as defined under Regulation 2(1)(zc) of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended, transfer of resources, services or obligations between a listed entity and a related party, regardless of whether 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, including but not limited to the following:-

- 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 to any office or place of profit in the company
- underwriting the subscription of any securities or derivatives thereof, of the company

"Key Managerial Personnel" or **"KMP"** shall have the meaning as defined in the Companies Act 2013 and as amended from time to time.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law or regulation and as amended from time to time.

Objective

This Policy is laid down in order to specify guidelines while carrying on transaction with a related party(ies).

These guidelines shall help in identifying related party transactions and the potential conflict of interest involved in it. The conflict may be against the better interest of Company or its shareholders.

The Policy shall also help in determining the materiality of the related party transactions. Through the policy, the board shall ensure that the related party transactions as proposed or being carried on, are in compliance with the provisions of the applicable laws.

Process Of Dealing Related Party Transactions

The process to be followed while dealing with related party transactions at Ajooni Biotech Limited is as following:

1. Identification of Related Party (ies): It should be ensured before carrying out any transaction whether the Party (ies) involved is related or not.
2. Materiality of the transaction: The amount involved in a related party transaction should be checked with the threshold limits as specified in the Act and Listing Agreement for the purpose of classification as material related party transaction.

3. The transaction, before it is carried out, should be referred to Audit Committee for its prior recommendations and approval.
4. All the legal compliances as per the Act, Listing Agreement or any other applicable law should be followed as per the procedure laid down under the act and the rules made thereunder.
5. Shareholders' approval shall be taken wherever required under the Act and the rules made thereunder by passing necessary resolution.

Disclosures

The Company shall disclose the related party transactions carried out in the Board's Report as prescribed in the Act which is not in ordinary course of business or arm's length basis along with the justification to enter into such transaction.

Apart from this the company shall also disclose the related party transactions which are material as per the SEBI (LODR), 2015, to the stock exchanges.

Limitation and Amendment

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.
