



**ward  
wizard**

Foods and Beverages Limited  
(Formerly known as Vegetable Products Limited)

## **RELATED PARTY TRANSACTION POLICY**

### **1. PURPOSE OF THIS POLICY:**

- A. Wardwizard Foods and Beverages Limited (Formerly known as Vegetable Products Limited) is governed, amongst others, by the rules and regulations framed by Securities Exchange Board of India ("SEBI"). SEBI has mandated every listed company to formulate a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.
- B. Accordingly, the Company has formulated this policy on materiality of Related Party Transactions and on dealing with Related Party Transactions ("**Policy**"). This Policy regulates all transactions between the Company and its Related Parties (as defined below).
- C. The Audit Committee will review the Policy periodically and may amend the same from time to time and propose the same to the Board for approval.

### **2. DEFINITIONS**

- A. "Arm's length transaction ('ALP')" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- B. "Related Party" , with reference to a Company, shall have the same meaning as defined in Section 2(76) of the Companies Act, 2013 and Regulation 23 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments.
- C. "Related Party transactions" - transactions/ contracts/ arrangement between the Company and its related parties which fall under one or more of the following headings:

#### **As per Section 188 of the Act:**

- (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 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; and
- (g) Underwriting the subscription of any securities or derivatives thereof, of the Company; As per Regulation 23
- (h) Transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged.

**CIN: L15100WB1953PLC021090**

**Registered Office:** Old Nimta Road, Nandan Nagar, Belghoria, Kolkata-700083, West Bengal

**Corporate Office:** 418, GIDC Estate, POR, Ramangamdi, Vadodara-391243

**Email ID:** [compliance@wardwizardfoods.com](mailto:compliance@wardwizardfoods.com) | **Website:** [www.vegetableindia.com](http://www.vegetableindia.com) | **Compliance No:** +91 6355426350



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## **INDIAN ACCOUNTING STANDARD (IND AS) 24 : RELATED PARTY DISCLOSURES**

### **Objective:**

The objective of this Standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

### **Scope:**

This Standard shall be applied in:

- (a) Identifying related party relationships and transactions;
- (b) Identifying outstanding balances, including commitments, between an entity and its related parties;
- (c) Identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
- (d) Determining the disclosures to be made about those items.

Related party disclosure requirements as laid down in this Standard do not apply in circumstances where providing such disclosures would conflict with the reporting entity's duties of confidentiality as specifically required in terms of a statute or by any regulator or similar competent authority.

**"Relatives"** - with reference to any person, means anyone who is related to another, if –

- (i) They are members of a Hindu Undivided Family;
- (ii) They are husband and wife; or
- (iii) One person is related to the other in the following manner, namely:-
  - a) Father including step father
  - b) Mother including step mother
  - c) Son including step son
  - d) Son's Wife
  - e) Daughter
  - f) Daughter's Husband
  - g) Brother including step brother
  - h) Sister including step sister

### **MATERIALITY:**

The materiality of any RPT will be ascertained as per the thresholds prescribed under the LODR. TRANSACTION: A "transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract.

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### **3. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION**

Approval of related party transactions

#### **A. Audit Committee**

All the transactions which are identified as related party transactions should be pre-approved by the Audit Committee before entering into such transaction. The Audit Committee shall consider all relevant factors while deliberating the related party transactions for its approval.

Any member of the Committee who has a potential interest in any related party transaction will rescue himself and abstain from discussion and voting on the approval of the related party transaction. A related party transaction which is (i) not in the ordinary course of business, or (ii) not at arm's length price, would require approval of the Board of Directors or of shareholders as discussed subsequently.

The Audit Committee may grant omnibus approval for related party transactions which are repetitive in nature and subject to such criteria/conditions as mentioned under clause 49 and such other conditions as it may consider necessary in line with this policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

Audit Committee shall review, on a quarterly basis, the details of related party transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a related party transaction, the Committee has authority to modify or waive any procedural requirements of this policy.

A related party transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Committee, will be placed before the Committee for ratification.

#### **B. Board of Directors**

In case any related party transactions are referred by the Company to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any related party transaction will rescue himself and abstain from discussion and voting on the approval of the related party transaction.

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### **C. Shareholders**

If a related party transaction is (i) a material transaction as per clause 49, or (ii) not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Companies Act, 2013, it shall require shareholders' approval by a special resolution. In such a case, any member of the Company who is a related party, shall not vote on resolution passed for approving such related party transaction.

### **D. Reporting of related party transactions**

Every contract or arrangement, which is required to be approved by the Board/shareholders under this Policy, shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement

## **4. LIMITATION AND AMENDMENT**

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

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