S J Logistics (India) Limited

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS

Version	Effective Date	Review Date	Prepared By	Reviewed By	Approved By
1.0	September 02, 2023	September 02, 2023	Secretarial Team	Jeet Shah, Director	Board of Directors
2.0	June 11, 2026	June 11, 2026	Secretarial Team	Jeet Shah, Director	Board of Directors

CONTENT

1. INTRODUCTION:

S J Logistics (India) Limited **(**the **"Company")** has adopted the Policy of Materiality of Related Party Transactions **(**the **"Policy")** in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Applicable Laws to protect the interests of the Company and all its stakeholders, by establishing clear guidelines for identifying, evaluating, and approving related party transactions, with a particular focus on material transactions that may require heightened scrutiny.

2. DEFINITION:

"Act" means the Companies Act, 2013, together with the rules notified there under, including any statutory modifications or re-enactments thereof for the time being in force.

"Applicable Laws" means any other relevant laws, circulars, regulations, rule as may be amended from time to time**.**

"Audit Committee" means the Audit Committee constituted by the Board of the Company.

"Board of Directors" or "Board" means the collective body of the directors of the Company.

"Interested Director" means a director who has a direct or indirect personal, financial, or business interest in a contract, arrangement, or proposed transaction of the Company

"Key Managerial Person" or "KMP" means a person as defined in Section 2(51) of the Act.

"Material Related Party Transaction" means any transaction with a Related Party that, individually or taken together with previous transactions during a financial year, exceeds the thresholds specified in Schedule XII of SEBI (LODR) Reg.,2015.

"Ordinary Course of Business" means the customary and recurring transactions undertaken by the Company in the normal course of its operations, which are consistent with the Company's established business practices, industry standards, and are conducted on commercially reasonable terms and conditions. Such transactions are those that are reasonably necessary or incidental to the furtherance of the Company's stated objects.

"Related Party" is a person or an entity which is defined under section 2(76) of the Act.

"Related Party Transaction" means a transfer of resources, services or obligations between the Company and a Related Party, regardless of whether a price is charged. This includes any transaction, agreement or arrangement that is entered into with a Related Party.

"SEBI Regulations" or "Regulations" mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

All terms defined herein shall have the same meaning whether used in the singular or plural form, unless the context clearly requires otherwise.

3. PURPOSE:

The purpose of the Policy on materiality of Related Party Transactions is to establish a framework for identifying, reviewing, approving, and disclosing Related Party Transactions to ensure compliance with SEBI Regulations, Act**,** and other Applicable Laws, while safeguarding the interests of the company and its stakeholders.

4. PROCEDURE FOR DEALING WITH RELATED PARTY TRANSACTION:

4.1 Identification:

All Director, KMP of the Company shall promptly disclose to the Audit Committee any proposed Related Party Transaction that they are aware of or involved in. Such disclosure shall be made in writing and shall include all material information pertaining to the transaction, including the nature of the transaction, the identity of the Related Party involved, the proposed terms and conditions, and any other relevant documentation.

The KMP is responsible for maintaining register of records for the Related Party Transactions, which shall be updated regularly.

4.2 Evaluation and Review by the Audit Committee:

i. The Audit Committee shall review all disclosed Related Party Transactions to determine their materiality and assess whether they are in the Ordinary Course of Business and at arm's length.

ii. In evaluating the materiality of a Related Party Transaction, the Audit Committee shall consider, among other factors:

- The size and scope of the transaction in relation to the Company's overall financial position and operations;
- The nature of the transaction and its potential impact on the Company's profitability and financial health;
- The terms and conditions of the transaction, including pricing, payment terms, and any other relevant factors;
- The existence of any potential conflicts of interest; and
- Whether the transaction is in the Ordinary Course of Business and at arm's length.

iii. The Audit Committee may, at its discretion, engage independent experts or advisors to assist in the evaluation of Related Party Transactions.

4.3 Approval:

i. Approval by the Audit Committee: Related Party Transactions that are not Material Related Party Transactions and are determined by the Audit Committee to be in the Ordinary Course of Business and at arm's length may be approved by the Audit Committee.

ii. Approval by the Board: All Material Related Party Transactions shall require the approval of the Board. Prior to seeking Board's approval, the Audit Committee shall provide its recommendations to the Board regarding the proposed transaction.

iii. Approval by Stakeholders: In certain circumstances, as required by the Act or Applicable Laws, a Material Related Party Transaction may require the approval of the stakeholders of the Company.

iv. Interested Director: No Interested Director shall participate in the discussion or vote on any resolution relating to a Related Party Transaction in which they are interested.

4.4 Omnibus Approval:

i. The Audit Committee may grant omnibus approval for Related Party Transactions that are repetitive in nature and fall below specified thresholds, subject to such conditions as the Audit Committee may deem fit.

ii. Omnibus approvals shall be reviewed and renewed periodically by the Audit Committee.

5. DISCLOSURE:

The Company shall maintain and update the register of disclosed transactions. The Audit Committee will review transactions for materiality, Ordinary Course of Business, and arm's length compliance. Non-material transactions may be approved by the Audit Committee, while Material Related Party Transactions require Board and, if necessary, stakeholder approval. All such transactions will be disclosed in the annual report and on the Company's website.

6. LIMITATIONS AND AMENDMENTS:

The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In the event of any conflict between the provisions of this Policy and of the Act or SEBI Regulations or any Applicable Laws, the latter shall prevail and automatically apply to this Policy. The relevant provisions of the Policy will be amended or modified as needed to ensure consistency with the law.

Note:

The Board of Directors (the "Board") at its Meeting held on 02^{nd} September 2023 approved the policy and is effective from 02^{nd} September 2023.

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