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# Vinny Overseas Limited

MFG. OF RAYON - COTTON - POLYESTER - FASHION WEAR OF FABRICS

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## POLICY ON MATERIALITY AND DEALING WITH RELATED PARTY TRANSACTIONS

### 1. Introduction and Purpose

This Policy on Related Party Transactions (“Policy”) is formulated to ensure that all transactions entered into between the Company and its Related Parties are carried out in a transparent, ethical, and lawful manner. The Policy aims to ensure that Related Party Transactions are conducted at arm’s length, in the ordinary course of business, and in a manner that protects the interests of shareholders and other stakeholders.

This Policy also seeks to establish a clear framework for identification, approval, disclosure, and monitoring of Related Party Transactions in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), including amendments effective up to 2025.

### 2. Legal and Regulatory Framework

This Policy is framed pursuant to and in compliance with the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other relevant provisions of the SEBI LODR Regulations, 2015, applicable Accounting Standards, and any circulars, clarifications, or amendments issued by regulatory authorities from time to time.

Any amendment in the applicable laws or regulations shall automatically apply to this Policy to the extent required.

### 3. Definitions

For the purpose of this Policy, the terms used shall have the meanings assigned under the Companies Act, 2013, SEBI LODR Regulations, and applicable Accounting Standards unless the context otherwise requires.

A **Related Party** shall have the meaning assigned under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI LODR.

A **Related Party Transaction (“RPT”)** shall have the meaning as described to it in the Act and in Regulation 2(1)(zc) of The SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 including all amendments and modifications thereof as applicable to the Company from time to time.

An **Arm’s Length Transaction** refers to a transaction conducted between two related parties as if they were unrelated, so that there is no conflict of interest.

A **Significant Related Party Transaction** refers to a Related Party Transaction that crosses the financial thresholds prescribed under SEBI LODR Regulations, including transactions exceeding **10% of the annual turnover** of the Company or such revised limits as may be prescribed from time to time.

A **Material Modification** means any change to an approved Related Party Transaction that results in a variance exceeding **20% of the originally approved transaction value** or such threshold as may be prescribed.

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#### 4. Scope and Applicability

This Policy applies to all Related Party Transactions undertaken by the Company, including transactions involving its Directors, Key Managerial Personnel, Senior Management, subsidiaries, associates, and other Related Parties as defined under applicable laws.

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#### 5. Principles Governing Related Party Transactions

All Related Party Transactions must be undertaken in a manner that ensures fairness, transparency, and accountability. Such transactions should be conducted in the ordinary course of business and on an arm’s length basis wherever possible. The Company shall ensure that Related Party Transactions do not result in undue advantage to any Related Party or adversely impact the interests of shareholders or the Company.

The Company shall maintain proper documentation and disclosures in respect of all Related Party Transactions.

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## **6. Identification of Related Parties and Transactions**

Directors, Key Managerial Personnel, and Senior Management shall disclose their Related Parties and any potential conflict of interest at the beginning of each financial year and whenever there is a change. The Company shall maintain a register of Related Parties and monitor transactions undertaken with such parties.

Any proposed transaction with a Related Party must be identified in advance and evaluated to determine whether it falls within the scope of this Policy.

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## **7. Approval Mechanism**

### **7.1 Audit Committee Approval**

All Related Party Transactions shall require prior approval of the Audit Committee, except where exemptions are available under applicable laws. The Audit Committee shall evaluate whether the proposed transaction is at arm's length, in the ordinary course of business, and in the best interest of the Company.

The Audit Committee may grant omnibus approval for repetitive transactions, subject to defined financial limits, periodic reporting, and annual review. Interested members of the Audit Committee shall abstain from participation in discussions and voting on transactions in which they have an interest.

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### **7.2 Board of Directors Approval**

Board approval shall be required for transactions that are not in the ordinary course of business or not conducted at arm's length, as well as transactions requiring approval under Section 188 of the Companies Act, 2013 or any other applicable regulation.

Any Director who has an interest in a Related Party Transaction shall abstain from discussion and voting on the matter.

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### **7.3 Shareholder Approval**

Shareholder approval shall be obtained for Significant Related Party Transactions and other transactions requiring approval under applicable laws. No Related Party shall vote to approve such resolutions, irrespective of whether such Related Party is directly involved in the transaction.

Shareholder approval shall not be required in cases exempted under SEBI LODR Regulations, including transactions between the Company and its wholly owned subsidiaries, provided the accounts of such subsidiaries are consolidated and placed before shareholders.

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## **8. Pricing and Arm's Length Determination**

The pricing of Related Party Transactions shall be determined based on comparable market pricing, independent valuations, or any other commercially reasonable method. Where necessary, external expert opinions or benchmarking may be obtained to ensure fairness.

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## **9. Disclosure and Reporting Requirements**

The Company shall disclose Related Party Transactions in its financial statements, Annual Report, and corporate governance filings as required under the Companies Act, 2013 and SEBI LODR Regulations.

The Company shall submit disclosures of Related Party Transactions on a consolidated basis to stock exchanges in accordance with Regulation 23(9) of SEBI LODR and shall publish such disclosures on its website within prescribed timelines.

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## **10. Review, Monitoring, and Reporting**

The Audit Committee shall periodically review all Related Party Transactions to ensure continued compliance with this Policy. Any modification to an approved transaction that crosses the prescribed threshold shall require fresh approval.

Management shall provide periodic reports to the Audit Committee and the Board regarding the status and value of Related Party Transactions.

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## **11. Transactions Entered Without Prior Approval**

In the event that a Related Party Transaction is entered into without prior approval, the matter shall be promptly placed before the Audit Committee. The Audit Committee shall determine whether the transaction should be ratified, revised, or terminated, considering the best interests of the Company.

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## **12. Transactions Exempt from Approval**

Certain corporate actions, such as dividends, bonus issues, rights issues, and other transactions uniformly applicable to all shareholders, shall not require approval under this Policy, subject to compliance with applicable regulations.

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## **13. Communication and Disclosure of Policy**

This Policy shall be hosted on the Company's website, and a reference to the Policy shall be included in the Annual Report. The Company shall ensure that relevant stakeholders are informed of the Policy and any updates thereto.

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## **14. Review and Amendments**

This Policy shall be reviewed periodically by the Board of Directors to ensure continued compliance with applicable laws and best governance practices. Any amendments to this Policy shall be subject to approval by the Board.

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## **15. Authority to Interpret**

The Audit Committee and the Board of Directors shall have the authority to interpret, clarify, and implement this Policy in accordance with applicable laws.

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## **16. Effective Date**

This Policy was adopted by the Board of Directors at its meeting held on 14 November 2025 and shall be effective from that date