

POLICY ON GRANT OF LOANS & ADVANCES TO EMPLOYEES INCLUDING KEY MANAGERIAL PERSONNEL (KMPS)

OF

AGRIBIOTECH INDUSTRIES LIMITED

(Approved by the Board of Directors on 25th September 2025)

1. INTRODUCTION

This policy shall be called as “Policy on Grant of Loans & Advances to Employees including KMPs” (hereinafter referred to as “Loan Policy”).

The policy will come into effect from 1st Day of April 2025.

2. PURPOSE

The purpose of this policy is to outline the framework for granting loans and advances to employees, including Key Managerial Personnel (KMPs), to support their financial needs while ensuring compliance with applicable laws and maintaining organizational integrity.

This Policy covers guidelines/regulatory restrictions to be followed by the Company while granting Loans and Advances to aforementioned persons.

3. SCOPE

This Policy is applicable to all Key Managerial Personnel, Senior Officers, and other employees of Agribiotech Industries Limited.

4. DEFINITIONS

a) “**Act**” means the Companies Act, 2013 and rules made there under, as amended from time to time;

b) “**Audit Committee or Committee**” shall mean Committee of Board of Directors of the Company constituted in accordance with provisions of the Listing Regulations and the Companies Act, 2013;

c) “**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;

d) “**Ordinary course of business**” means the usual transactions 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;

e) “**Board of Directors**” or “**Board**” shall mean the Board of Directors of Harish Textile Engineers Limited, as constituted from time to time;

f) **“Company”** shall mean “Agribiotech Industries Limited”;

g) **“Employee”** means employee of the Company whether employed in India or outside India including employees in the Senior Management Team of the Company;

h) **“Senior Management/Members”** means officers/personnel of the Company who are members of its Core Management Team excluding Board of Directors and normally this shall comprise of all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) including the functional heads and shall specifically include company secretary and chief financial officer;

i) **“Key Managerial Personnel”**, (KMP) refers to key managerial personnel as defined under the Companies Act, 2013 (the Act) which includes:

- i. The Chief Executive Officer or the Managing Director or the Manager;
- ii. The Company Secretary;
- iii. The Whole-Time Director;
- iv. The Chief Financial Officer; and
- v. Such other Officer as may be prescribed;

(j) **“Nomination Remuneration Committee”** shall mean Committee of Board of Directors of the Company constituted in accordance with provisions of the Companies Act, 2013;

(k) **“Related Party”** shall have the same meaning as defined in Section 2(76) of Companies Act, 2013.

(l) **“Relative”** shall have the same meaning as defined in Section 2(77) of Companies Act, 2013.

(m) **“Related Party Transaction”** means a transaction between the Company and a Related Party which transaction is of the nature specified in sub-clause (a) to (g) of section 188(1) of the Companies Act, 2013.

5. OBJECTIVE

This Policy aims to:

Financial Assistance: To provide employees with financial support for personal needs, emergencies, or major expenses.

Employee Retention: To enhance job satisfaction and loyalty by offering financial benefits, thus helping retain valuable staff.

Promote Loyalty: To encourage long-term commitment to the organization by providing financial support that aligns with the company's values.

Structured Repayment: To establish a clear framework for repayment, ensuring that the loan process is fair and manageable for both the employee and the employer.

6. ELIGIBILITY

All full-time employees who have completed a minimum of One years of service are eligible to apply for loans and advances.

KMPs may be subject to additional scrutiny and conditions as determined by the management.

7. TYPES OF LOANS AND ADVANCES

Personal Loans: For personal expenses such as medical emergencies, education, or other urgent needs.

Housing Loans: For purchasing or renovating residential properties.

Educational Loans: For funding education-related expenses for the employee or their dependents.

Advances: Short-term financial assistance for unforeseen expenses.

8. TERMS AND CONDITIONS

The Company may grant loans and advances to Employees, KMPs, Relatives of KMPs and any related party only if all the following conditions are satisfied:

- A. An employee may be granted a **loan/salary advance up to a maximum of Three year's gross salary**, subject to the approval of the Management.
- B. If an employee requires a loan/advance exceeding the prescribed limit or seeks advances more frequently than permitted, the request shall be considered by the Management on a **case-by-case basis**, and the Management's decision shall be final.
- C. **No administrative or processing fee** shall be charged by the Company for granting such loan/advance.
- D. **Interest-free loan/advance:** No interest shall be charged where the amount of the loan/advance does not exceed **Three years' salary** of the employee.
- E. **Interest-bearing loan/advance:** Where the loan/advance exceeds **three years' salary**, the Company may charge interest at a rate **not lower than the prevailing Bank Rate** on the date of disbursement, or such higher rate as may be determined by the Management.
- F. The loan/advance shall be **repayable on demand** or in such instalments as may be approved by the Management.
- G. In the event of an employee's **resignation, retirement, or termination** before full repayment of the loan/advance, the Company shall be entitled to recover the outstanding amount by:
 - adjusting or deducting the same from the employee's final settlement, salary, leave encashment, bonus, or any other amounts payable by the Company; and/or
 - initiating appropriate recovery proceedings, if required, in accordance with applicable laws.

9. LOANS TO INDEPENDENT DIRECTORS

The Company will not give any loan or advance, directly or indirectly to any independent director or to any firm in which such Director is a partner or any entity owned or controlled by such director, except in case of Incorporate Loans after satisfying the conditions under the Companies Act.

10. REVIEW OF THE POLICY

This policy will be review by the Board from time to time and shall be amended as and when required.

11. VIOLATION OF THIS POLICY

The Company may take appropriate action against any Director or an employee who had entered into such a loan arrangement in contravention of the provisions of this Policy for recovery of any loss sustained by it as a result of such contract or arrangement.
