

MINAL INDUSTRIES LIMITED

CIN: L32201MH1988PLC216905

Registered office: 603- I Minal Co-Op Hsg So Ltd, Off Sakivihar Road, Andheri-East Mumbai - 400072

Tel No. 022: 40707070; Email Id: cmseepz@gmail.com; Website: www.minalindustrieslimited.in

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND DEALING WITH RELATED PARTY TRANSACTIONS

1. PREAMBLE:

The Board of Directors of the Company ("Board"), after considering the recommendation of the Audit committee has adopted this policy and procedures for dealing with related party transactions, in compliance with the requirements of Section 188 of the Companies Act 2013 (the "Act") read with Rules made thereunder and Regulation 23 read with 2(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, in order to ensure the transparency and procedural fairness of such transactions. The Audit Committee will review and amend the Policy, as and when required, subject to adoption by the Board.

2. OBJECTIVE:

- 2.1. The objective of this Policy is
 - a. to determine the basis of identifying related parties of the Company as well as related party transactions;
 - b. to determine the materiality thresholds for related party transactions;
 - c. to lay down the manner of entering into transactions between the Company and its related parties based on the Act read with the SEBI Listing Regulations and any other laws and regulations as may be applicable to the Company;
 - d. to regulate transactions between the Company and its related parties based on the laws and regulations applicable to the Company and
 - e. to ensure proper approval and reporting of related party transactions, as applicable, in the best interest of the Company and its stakeholders.
- 2.2. The Policy has been amended in line with the amendments made to the SEBI Listing Regulations vide notification dated December 12, 2025. The revised Policy shall come into effect from February 13, 2026 or such other date(s) as may be notified by SEBI as being effective date(s) of the amendment(s), either wholly or in part(s), and shall to that extent be in supersession of the earlier Policy.

3. DEFINITIONS:

- 3.1 Unless the context otherwise requires, the words, terms and expressions used in this Policy shall have the same meanings as given in the Act/SEBI Listing Regulations and any other law or regulation, as may be applicable from time to time.
- 3.2 "Arm's Length Transaction" means a transaction between two related parties that is conducted as if they were unrelated parties, so that there is no conflict of interest;
- 3.3 "Material related party transaction" means a transaction with a related party, if the transaction / transactions to be entered into individually or taken together with previous transactions during a

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financial year, exceeds the thresholds specified in Schedule XII of the SEBI LODR regulations. In case of transaction involving payment to a related Party for brand usage or royalty, it will be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

- 3.4 "Monetary Value" shall mean monetary value of related party transactions approved by the Audit Committee or Board or shareholders, as the case may be, which shall be exclusive of any applicable taxes thereon viz. GST, cess, etc.
- 3.5 "Subsequent Material Modifications" shall mean any modification with respect to the following:
- increase in the limit of amounts approved for a related party transaction with a related Party in a financial year;
 - significant terms and conditions of the contract with a related Party such as modifications in price, margin, significant alteration to the credit period and material changes in scope of deliverables;
 - any other modification which as per the directions of the Audit Committee may be deemed material on case-to-case basis.
- 3.6 "Transactions in the ordinary course of business" mean transactions/activities that are connected to or necessary for the business of the Company and satisfy the following principles:
- The transaction/activity is permitted under the Memorandum and the Articles of Association of the Company;
 - The transaction/activity is carried on a frequent or regular basis or is as per the industry practice and
 - The terms of the transaction/activity are similar to those which would be otherwise applicable to transactions with unrelated parties.
- 3.7 "Unforeseen related party transaction" means a related party transaction, where the need for such transaction cannot be foreseen, the details whereof necessary for seeking an omnibus approval of the Audit Committee are not available and the value of such transaction does not exceed Rs. 1 crore per transaction.

4. POLICY:

- 4.1 All related party transactions must be reported to the Audit Committee and referred for approval of the Audit Committee or the Board or the shareholders as required under this Policy.

(A) Identification of related party transactions:

- Any employee of the Company who is aware of any transaction that is or may be perceived to be a related party transaction is required to bring the same to the attention of the Audit Committee of the Company through Company Secretary.
- Every Director, KMP and Promoter is responsible for providing written notice to the

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Board/Audit Committee of any potential related party transaction involving him or her or his or her relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Upon receipt of such notice, the Chief Financial Officer ("CFO") is authorized to determine whether the transaction does, in fact, constitute a related party transaction requiring compliance with this Policy.

- iii. The CFO shall be responsible for keeping a record of all related parties of the Company and the transactions with all related parties at all times.
- iv. As regards transactions with related parties that require prior approval of the Board/Audit Committee, the CFO shall be responsible to notify the Board/ Audit Committee of any such potential related party transactions.
- v. The notice of any potential related party transaction shall be given well in advance to the Board/ Audit Committee and shall also contain adequate information about the related party transaction(s). This will provide the Board/Audit Committee members adequate time and information to consider and review the proposed transaction(s).

(B) Approval for related party transactions:

The Company shall not enter into any related party transaction except as stated hereinafter

i. Transactions requiring approval of Audit Committee:

- All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee and shall approve the related party transactions.
- Provided that a related party transaction to which the subsidiary of the Company is a party, but the Company is not a party, shall require prior approval of the Audit Committee of the Company, only if the value of such transaction, whether entered into individually or taken together with previous transactions during a financial year, exceeds lower of either 10% of annual standalone turnover as per the last audited financial statements of the respective subsidiary from F.Y. 2025-26 onwards or thresholds specified in Schedule XII of the SEBI LODR regulations.
- Prior approval of the Audit Committee shall not be required for:
 - a. related party transactions, where the listed subsidiary of the Company is a party, but the Company is not a party and if Regulation 23 and Regulation 15(2) of SEBI Listing Regulations are applicable to such listed subsidiary.
 - b. related party transactions of unlisted subsidiaries of listed subsidiary of the Company, where the prior approval of the Audit Committee of the listed subsidiary is obtained.
 - c. remuneration and sitting fees paid by the Company or its subsidiaries to its directors, key managerial personnels or senior management, except who is part of promoter or promoter group, provided that the same is not material in terms of the provisions of Regulation 23(1) of the SEBI Listing Regulations.

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ii. Ratification of related party transactions:

• Under Companies Act, 2013

Where any contract or arrangement is entered into by a Director or any other employee, without obtaining the consent of the Board or approval by shareholders in the general meeting, then such contract or arrangement shall be ratified by the Board or by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into. If the same is not done, then the contract will be voidable at the option of the Board or shareholders, as the case may be. If contract or arrangement is with a related party to any Director, or is authorized by any other Director, the Directors concerned shall indemnify the Company against any loss incurred by it. Ratification is subject to certain conditions as specified in the Listing Regulations.

• Under SEBI Listing Regulations

The members of the Audit Committee, who are independent Directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the Audit Committee, whichever is earlier, subject to the following conditions:

- a. the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed Rs. 1 Crore;
- b. the transaction is not material under Regulation 23(1);
- c. rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification.
- d. the details of ratification shall be disclosed along with the half yearly disclosures of related party transactions;
- e. any other condition as specified by the Audit Committee.

Provided that failure to seek ratification of the Audit Committee shall render the transaction voidable at the option of the Audit Committee and if the transaction is with a related party to any Director or is authorized by any other Director, the Director(s) concerned shall indemnify the Company against any loss incurred by it.

iii. Transactions requiring approval of Board:

Following transactions shall require a prior approval of the Board:

- related party transactions which are not in the ordinary course of business or not at arm's length price and
- material related party transactions.

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iv. Transactions requiring approval of shareholders of the Company:

- All material related party transactions and subsequent material modifications shall require prior approval of the shareholders of the Company by way of a resolution and no related party shall vote to approve such resolutions whether the entity is a party to the particular transaction or not.
- All related party transactions which are not in the ordinary course of business or not at arm's length and which are in excess of the limits prescribed under the Act, shall require an approval of the shareholders by way of a resolution; and in such cases, the related Party/(ies) to the transaction shall abstain from voting on such resolution.
- However, the requirement of shareholders' prior approval for material related party transactions shall not be applicable for the following cases:
 - a. transactions in respect of a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code (IBC) 2016, subject to the event being disclosed to recognized stock exchange within one day of the resolution plan being approved.
 - b. Related party transactions, where the listed subsidiary of the Company is a party, but the Company is not a party, and if Regulation 23 and Regulation 15(2) of SEBI Listing Regulations are applicable to such listed subsidiary.
 - c. Related party transactions of unlisted subsidiaries of the listed subsidiary of the Company, where the prior approval of the shareholders of the listed subsidiary is obtained.
- A prior approval, omnibus approval of the Audit Committee and shareholders approval shall be required for all related party transactions except for the following:
 - a. transactions between the Company and its wholly owned subsidiary/(ies) whose accounts are consolidated with the Company and placed before the shareholders at the general meeting of the Company for approval.
 - b. transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.

v. Deemed Approval:

- The transactions or arrangements which are specifically dealt under the separate provisions of the Law and executed under separate approvals/procedures from relevant committee shall be deemed to be approved for the purpose of this Policy. Such transactions are enumerated below:
 - a. Appointment and payment of remuneration, including any variations thereto, to KMP pursuant to the Nomination and Remuneration Committee approval;
 - b. Payment of remuneration, fees, commission, etc. to Directors of the Company pursuant to approval of the Nomination and Remuneration Committee;
 - c. Grant/issuance of stock options or stock appreciation rights or other share based

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benefits to and payments made to/received from Directors or KMP of the Company or Directors/Key Managerial Personnel/officers of its subsidiaries/associates pursuant to such share based incentive plans as approved by shareholders.

- d. Any benefits, interest arising to related Party solely from the ownership of Company shares at par with other holders, for example, dividends, right issues, stock split or bonus shares approved by the Nomination and Remuneration Committee or any other Board composed committee.
- e. Contribution with respect to Corporate Social Responsibility to eligible entity pursuant to approval of Board or the Corporate Social Responsibility Committee.

(C) Approval & Review Mechanism:

- While seeking the approval of the Audit Committee, Board or the shareholders, all information that is relevant and necessary to the related party transaction and as prescribed under the Laws, including any regulations, circulars, clarifications, or notifications issued by SEBI or Ministry of Corporate Affairs or by the Audit Committee or the Board, shall be duly provided to the Audit Committee, Board or shareholders, as the case may be.
- The Audit Committee may grant omnibus approval for related party transactions considering the repetitive nature of the transactions.
- The Audit Committee, shall, after obtaining approval of the Board of Directors, specify the criteria for granting omnibus approvals to the related party transactions proposed to be entered into by the Company or its subsidiary in the manner and to the extent prescribed under the Laws. The Audit Committee shall, while granting such omnibus approvals, satisfy itself about the adherence to the criteria so specified by it.
- The Audit Committee shall satisfy itself about the need for such omnibus approval and that such approval is in the interest of the Company.
- The omnibus approval granted by the Audit Committee shall include the following particulars:
 - a. Name of the related parties;
 - b. Nature and duration of the transaction;
 - c. Maximum amount of transaction that can be entered into;
 - d. The indicative base price or current contracted price and the formula for variation in the price, if any; and
 - e. Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

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- In case of Unforeseen related party transactions, the Audit Committee may grant an omnibus approval for such transactions provided that the value does not exceed Rs. 1 crore per transaction in a financial year.
- Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year
- The Audit Committee shall not grant omnibus approval for transactions in respect of selling or disposing of the undertaking of the Company.
- Any Director or KMP who is interested in any related party transaction shall not be present at the meeting of the Board or Audit Committee during discussions on the subject matter of the resolution relating to such transaction.
- The Audit Committee shall review, on a quarterly basis, the details of all related party transactions entered into by the Company or it's subsidiary pursuant to each of the omnibus approvals given.
- On a quarterly basis, the management shall submit a report to the Audit Committee providing a comparison between the approvals granted and the actual transactions.

(D) Disclosure

- Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- Details of all related party transactions on a consolidated basis shall be submitted to the Stock Exchanges and disseminated on the website of the Company, on a half yearly basis, along with the half yearly standalone and consolidated financial statements.
- Provided that the remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure provided that the same is not material in terms of the provisions of Regulation 23(1) of SEBI Listing Regulations.
- The Company shall disclose this Policy on its website and provide weblink in the Annual Report.
- The Company shall place all the information, as specified in Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" read with the provisions of SEBI Listing Regulations, Companies Act, 2013 as well as additional information specified by SEBI from time to time, in the explanatory statement to the notice being sent to shareholders seeking

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their approval for proposed RPTs as applicable.

5. **GENERAL:**

- 5.1 Any subsequent amendment(s)/modification(s) in the Act, SEBI Listing Regulations, applicable Accounting Standards or any other governing law, which makes any of the provision of this Policy inconsistent with such Act, SEBI Listing Regulations, Accounting Standards or other governing law, then the provisions of such Act, SEBI Listing Regulations, Accounting Standards or any other governing law shall prevail and the Chief Finance Officer and the Company Secretary of the Company are severally authorized to carry out any further changes in the Policy to make it consistent with the amended Act, SEBI Listing Regulations, applicable Accounting Standards or other governing law and the Audit Committee shall be kept informed of the same.
- 5.2 The Audit Committee shall review the Policy atleast once every three years for making suitable amendments for better implementation of the Policy.
- 5.3 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy. Any subsequent amendment(s)/ modification(s)/ circular(s)/ clarification(s)/ notification(s) in/under the SEBI Listing Regulations or the Act or any other governing Act/Rules/Regulations or re-enactment thereof, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and/or amended to that extent, even if not incorporated in this Policy.
- 5.4 The power to interpret and administer the Policy shall rest with the Chairman of the Audit Committee whose decision shall be final and binding. The Chairman is also empowered to make any supplementary rules/orders to ensure effective implementation of the Policy. These will, however, be reported to or tabled before the Audit Committee, from time to time, to ensure the Committee's oversight on these issues.

This policy is amended as per recommendation of the Audit committee meeting held on 14th February, 2026 and approved by the Board of Directors at its meeting held on 14th February, 2026.