



POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

Effective Date: 12.05.2025

Date of approval by the Board: 12.05.2025

Version: 2

1. PREAMBLE:

This Policy is adopted in line with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), read with Section 188 of the Companies Act, 2013 and relevant SEBI circulars. It is intended to ensure transparency, fairness, and accountability in all transactions between Man Industries (India) Limited (“the Company”) and its related parties.

The Policy also integrates the Industry Standards on Minimum Information to be provided for Review of the Audit Committee and Shareholders Approval of Related Party Transactions (RPTs), wherever required, and provisions for Related Party Transactions as specified in the SEBI Master Circular dated November 11, 2024 (“SEBI Circular”).

2. DEFINITIONS:

All capitalized terms not specifically defined in this Policy shall have the meaning assigned to them under:

- SEBI LODR Regulations, 2015;
- Companies Act, 2013;
- SEBI Master Circular dated November 11, 2024 (“SEBI Circular”);
- Other applicable rules, notifications, and circulars.

Important definitions include:

- **Related Party:** As per Regulation 2(1)(be) of SEBI LODR and Section 2(76) of the Companies Act, 2013.
- **Related Party Transaction (RPT):** As defined under Regulation 2(1)(zc) of SEBI LODR.
- **Material RPT:** A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, Rs.1,000 crore or 10% of annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

3. APPLICABILITY:

This Policy applies to all RPTs entered into by the Company or its subsidiaries with related parties. It covers:

- Material RPTs requiring shareholders' approval;
- Non-material RPTs requiring Audit Committee approval;
- Transactions exceeding thresholds defined under Para 1(2) of the Industry Standards;
- Transactions with promoter/promoter group with direct or indirect interest;

- Omnibus approval for the Related Party Transactions.

4. GOVERNANCE STRUCTURE:

4.1 Audit Committee Approval:

All RPTs shall require prior approval of the Audit Committee. If the Audit Committee does not approve the RPT, the transaction shall not be entered into.

The following minimum information shall be submitted to the Audit Committee as per Para 4 of the Industry Standards:

A. Details of the related party and transactions with the related party:

- Basic details of the related party.
- Relationship and ownership of the related party.
- Financial performance of the related party.
- Details of previous transactions with the related party.
- Amount of the proposed transactions (*All types of transactions taken together*).
- Nature and duration of the proposed transaction.
- Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

B. Details for specific transactions:

- Basic details of the proposed transaction.
- Additional details for proposed transactions relating to various transactions/aspects as specified in Para 4 of the Industry Standards.

In addition:

- For omnibus approvals, the criteria as prescribed under 6A of the Companies (Meeting of Board and its Powers) Rules, 2014.
- Post-facto ratification shall be done within prescribed timelines.

4.2 Shareholders' Approval:

All material RPTs shall be placed before the shareholders through a resolution.

Disclosures in the notice shall include:

- Format-Based Information:** Provide details of the RPT in the format specified under Para 4 of the Standards, as applicable.
- Redaction Approval:** The Audit Committee may approve redaction of commercially sensitive information, ensuring that redacted disclosures still

allow informed decision-making. A certification to this effect is required.

- c) **Transaction Justification:** Justify how the RPT is in the interest of the listed entity.
- d) **Fairness Assessment:** Statement by the Audit Committee confirming all relevant disclosures were reviewed and that promoters are not benefiting at the expense of public shareholders.
- e) **Certification Review:** Disclose that the Audit Committee has reviewed certificates from the CEO/CFO/other KMP and from promoter directors, as per Para 3(2)(b).
- f) **Valuation Report:** Include a copy of valuation or any external reports considered while approving the RPT.
- g) **Third-Party Comparison** (for goods/services or asset transactions):
 - Disclose if terms were compared with bids from unrelated parties.
 - If no bids were invited, provide justification.
 - If no comparable bids exist, state the basis for recommending the transaction as beneficial to shareholders.
- h) **Board/Audit Committee Comments:** Include any comments made by the Board or Audit Committee.
- i) **Additional Information:** Include any other relevant information.

5. THRESHOLD CRITERIA FOR APPROVAL:

The thresholds for RPT classification and disclosure, as per Para 1(2) of the Industry Standards, are:

- 2% of Turnover, or
- 2% of Net Worth (if net worth is positive), or
- 5% of average absolute PAT over past 3 years.

For promoter-related transactions, comprehensive disclosures are needed if the above thresholds are breached.

6. DISCLOSURE & TRANSPARENCY REQUIREMENTS:

6.1 Regulatory Disclosures:

- Disclose RPT Policy on the Company's website and in Annual Reports;
- Disclosure of RPTs to stock exchanges in XBRL format;
- Disclosures in financial statements per Ind AS 24;

- Details of material RPTs shall be disclosed in the Board's Report and submitted to stock exchanges.

6.2 Internal Disclosures:

- Maintain a register of RPTs;
- Periodic update to the Board and Audit Committee;
- Maintain documentation of approvals, certificates, and supporting documents.

7. RECORD MAINTENANCE:

All RPT-related records (e.g., agendas, minutes, certificates, valuation reports, bids) shall be preserved for at least 2 years or longer if required by law.

8. AMENDMENTS AND REVIEW:

This Policy shall be reviewed whenever there are regulatory changes or as and when recommended by the Board or SEBI.

Any amendment shall be approved by the Board and disclosed appropriately.

In the event that any provisions of this Policy are rendered inconsistent or outdated due to subsequent amendments, notifications, circulars, or guidelines issued by the Securities and Exchange Board of India (SEBI) or Companies Act, 2013, the provisions of such directives shall supersede the relevant parts of this Policy and shall be deemed to be applicable and binding, until such time as this Policy is formally reviewed and appropriately amended to align with the updated regulatory framework.

9. PENALTY FOR NON-COMPLIANCE:

Non-compliance with this Policy may lead to penal action under SEBI regulations or Companies Act, 2013.