POLICY ON RELATED PARTY TRANSACTIONS

(Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013)

Effective Date: 31.10.2026

Approved by the Board of Directors at its meeting held on: 31.10.2026

1. PREAMBLE

The Board of Directors of [Name of the Company] Limited ("the Company") has adopted this Policy on Related Party Transactions ("Policy") to ensure proper identification, approval, monitoring and reporting of Related Party Transactions.

The Company recognises that Related Party Transactions may involve potential conflicts of interest and accordingly considers it essential to ensure that such transactions are undertaken in the ordinary course of business, wherever applicable, on an arm's length basis and in the best interests of the Company and its shareholders.

This Policy has been framed in accordance with the provisions of the Companies Act, 2013, the rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as amended from time to time.

2. OBJECTIVE

The objective of this Policy is to:

a. Ensure transparency and fairness in dealing with Related Party Transactions.

b. Establish procedures for identification, approval, disclosure and reporting of Related Party Transactions.

c. Ensure compliance with applicable statutory and regulatory requirements.

d. Prevent conflicts of interest in transactions involving related parties.

e. Protect the interests of the Company and its shareholders, particularly minority shareholders.

f. Establish clear thresholds and approval mechanisms for Related Party Transactions and material modifications thereto.

3. DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings assigned to them:

3.1 Act

"Act" means the Companies Act, 2013, together with the rules made thereunder, including any statutory modifications, amendments or re-enactments thereof.

3.2 Audit Committee

"Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR Regulations.

3.3 Board

"Board" means the Board of Directors of the Company.

3.4 Key Managerial Personnel (KMP)

KMP shall have the meaning assigned to it under Section 2(51) of the Companies Act, 2013.

3.5 Related Party

"Related Party" shall have the meaning assigned to it under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI LODR Regulations, as applicable.

For the purpose of this Policy, the definition under SEBI LODR Regulations shall be considered wherever it is wider or more stringent than the definition under the Companies Act, 2013.

3.6 Related Party Transaction (RPT)

"Related Party Transaction" means a transaction involving a transfer of resources, services or obligations between:

a. The Company on one hand, and a related party of the Company, on the other hand; or

b. The Company, on one hand, and any other person or entity, on the other hand, where the purpose and effect of the transaction is to benefit a related party of the Company regardless of whether a price is charged.

The term shall include transactions specified under Regulation 2(1)(zc) of SEBI LODR Regulations, as amended from time to time.

3.7 Material Related Party Transaction

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

exceeds ₹300 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

3.8 Material Modification

"Material Modification" means any modification to an approved Related Party Transaction which, individually or cumulatively, results in a substantial change in the nature, commercial terms, monetary value, tenure or other material conditions of the transaction.

The Audit Committee shall determine the criteria and thresholds for identifying material modifications, subject to applicable statutory and regulatory requirements.

3.9 Arm's Length Transaction

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

3.10 Ordinary Course of Business

"Ordinary Course of Business" shall have the meaning as understood under the Companies Act, 2013 and shall be determined based on the nature of business, objects of the Company, frequency and regularity of transactions and other relevant circumstances.

4. IDENTIFICATION OF RELATED PARTIES

The Company shall identify its Related Parties in accordance with the provisions of the Companies Act, 2013 and SEBI LODR Regulations.

For this purpose:

a. Directors and KMPs shall disclose their concern or interest in other companies, firms, bodies corporate and other entities.

b. The Company shall obtain declarations from Directors and KMPs regarding their relatives and other related parties.

c. The Company shall maintain an updated list of Related Parties.

d. The list of Related Parties shall be updated whenever any change in the relationship or status of a party takes place.

The Company Secretary or Compliance Officer shall maintain and periodically update the database of Related Parties.

5. IDENTIFICATION AND APPROVAL OF RELATED PARTY TRANSACTIONS

All proposed Related Party Transactions shall be identified and placed before the Audit Committee for its prior approval in accordance with Regulation 23 of SEBI LODR Regulations.

The Company shall establish appropriate internal procedures to ensure that no Related Party Transaction is entered into without obtaining the requisite approvals.

5.1 Prior Approval of Audit Committee

All Related Party Transactions and subsequent material modifications thereto shall require prior approval of the Audit Committee.

The Audit Committee shall approve only those Related Party Transactions which are in the interest of the Company and are in compliance with applicable laws.

5.2 Approval by Shareholders

All Material Related Party Transactions and subsequent material modifications thereto shall require prior approval of the shareholders of the Company through a resolution.

No Related Party shall vote to approve such resolution, whether the entity is a Related Party to the particular transaction or not.

The notice to shareholders shall contain the prescribed disclosures and explanatory statement as required under applicable laws.

5.3 Transactions Exempt from Shareholders' Approval

The requirement of obtaining shareholders' approval shall not apply to transactions specifically exempted under Regulation 23 of SEBI LODR Regulations.

Such exemptions shall be applied strictly in accordance with the applicable provisions and conditions.

5.4 Transactions under Section 188 of the Companies Act, 2013

All transactions covered under Section 188 of the Companies Act, 2013 shall be approved by the Board of Directors and/or shareholders, as applicable, in accordance with the Act and rules made thereunder.

However, transactions entered into in the ordinary course of business and on an arm's length basis shall be dealt with in accordance with the applicable exemption under Section 188.

The exemptions available under the Companies Act, 2013 shall not be construed as exemptions from the requirements of SEBI LODR Regulations.

6. OMNIBUS APPROVAL BY AUDIT COMMITTEE

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiaries, subject to compliance with Regulation 23(3) of SEBI LODR Regulations.

The Audit Committee shall consider the following while granting omnibus approval:

a. Repetitiveness of the transactions (in the past or in the future).

b. Justification for the need of omnibus approval.

c. Maximum aggregate value of transactions which may be entered into during the financial year.

d. Maximum value per transaction.

e. Extent and manner of disclosures to be made to the Audit Committee.

f. Any other conditions considered appropriate by the Audit Committee.

The Audit Committee shall satisfy itself regarding the need for omnibus approval and that such approval is in the interest of the Company.

The omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such period.

The Audit Committee shall review the details of Related Party Transactions entered into by the Company pursuant to each omnibus approval at least on a quarterly basis.

Omnibus approval shall not be granted for transactions specified as ineligible under Regulation 23(3) of SEBI LODR Regulations.

7. RATIFICATION OF RELATED PARTY TRANSACTIONS

Where any Related Party Transaction is entered into without prior approval of the Audit Committee, the transaction may be ratified by the Audit Committee 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 conditions prescribed under Regulation 23 of SEBI LODR Regulations.

The Audit Committee shall consider the following while examining ratification:

a. Whether the transaction is in the interest of the Company.

b. Whether the transaction was undertaken in good faith.

c. Whether the transaction was undertaken at arm's length.

d. Whether the transaction complies with the provisions of applicable laws.

e. Any other relevant information considered necessary.

The Audit Committee shall also consider whether the transaction requires any further approval under the Companies Act, 2013 or SEBI LODR Regulations.

In case the transaction is not ratified within the prescribed period, the same shall be dealt with in accordance with Regulation 23 and other applicable provisions of law.

8. MATERIALITY THRESHOLD

For determining whether a Related Party Transaction is material, the following threshold shall be considered:

A. Transactions of the Company

A Related Party Transaction shall be considered material if the value of the transaction(s), individually or together with previous transactions during a financial year, exceeds:

- ₹ 300 crore; or
- 10% of the annual consolidated turnover of the Company as per the last audited financial statements;

whichever is lower.

B. Aggregation of Transactions

For determining the materiality of transactions, the value of transactions shall be aggregated during the financial year, as required under applicable provisions of SEBI LODR Regulations.

The Company shall review the thresholds periodically and revise them whenever required due to amendments in applicable laws.

9. CRITERIA FOR APPROVAL OF RELATED PARTY TRANSACTIONS

The Audit Committee and the Board, wherever applicable, shall consider the following factors while evaluating a proposed Related Party Transaction:

a. Nature and purpose of the transaction.

b. Whether the transaction is in the ordinary course of business.

c. Whether the transaction is on an arm's length basis.

d. Commercial terms and conditions of the transaction.

e. Pricing methodology and supporting documents.

f. Whether the transaction is beneficial to the Company.

g. Whether the transaction adversely affects the interests of minority shareholders.

h. Whether the transaction creates any conflict of interest.

i. Whether adequate safeguards are available to protect the interests of the Company.

j. Any valuation report or independent external assessment, wherever applicable.

k. Any other information considered relevant by the Audit Committee.

10. MINIMUM INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE AND SHAREHOLDERS

The Company shall provide the information prescribed under the applicable SEBI Master Circular and RPT Industry Standards, including the modifications introduced by SEBI Circular dated October 13, 2025.

The information shall include, as applicable:

a. Type, material terms and particulars of the proposed transaction.

b. Name of the Related Party and its relationship with the Company

c. Tenure of the proposed transaction.

d. Value of the proposed transaction.

e. Percentage of the annual consolidated turnover represented by the transaction.

f. Details of sources of funds, cost of funds, tenure, interest rate, repayment schedule and utilisation of funds in case of loans, inter-corporate deposits, advances or investments, wherever applicable.

g. Justification as to why the proposed transaction is in the interest of the Company.

h. Valuation report or other external party report, wherever relied upon.

i. Any other relevant information required by the Audit Committee or shareholders.

The Company shall follow the applicable prescribed information formats and exemptions, including the applicable ₹1 crore threshold and the simplified information requirements, in accordance with the SEBI Circular dated October 13, 2025.

11. DISCLOSURE AND REPORTING REQUIREMENTS

The Company shall comply with the following disclosure requirements:

11.1 Half-yearly Disclosure

The Company shall submit disclosures of Related Party Transactions to the Stock Exchange in the prescribed format and within the timelines specified under Regulation 23(9) of SEBI LODR Regulations.

Such disclosures shall be made on a consolidated basis and shall cover transactions with Related Parties as required under the applicable regulations.

11.2 Website Disclosure

The Company shall publish this Policy on its website and provide the web link in its Annual Report, wherever required.

11.3 Financial Statements

The Company shall disclose Related Party Transactions in its financial statements in accordance with applicable accounting standards, including Ind AS 24, wherever applicable.

11.4 Annual Report

The Company shall make disclosures relating to Related Party Transactions in its Annual Report as required under applicable laws.

12. DUTIES AND RESPONSIBILITIES

12.1 Board of Directors

The Board shall:

a. Approve this Policy and any subsequent amendments.

b. Ensure that appropriate systems and procedures are established for monitoring Related Party Transactions.

c. Ensure that transactions are undertaken in accordance with applicable laws.

12.2 Audit Committee

The Audit Committee shall:

a. Review and approve Related Party Transactions and subsequent material modifications.

b. Grant omnibus approvals, wherever appropriate.

c. Review transactions entered into pursuant to omnibus approvals.

d. Examine the fairness and commercial justification of transactions.

e. Recommend appropriate action in cases of non-compliance.

12.3 Company Secretary / Compliance Officer

The Company Secretary or Compliance Officer shall:

a. Maintain an updated list of Related Parties.

b. Obtain necessary declarations from Directors and KMPs.

c. Coordinate the approval process for Related Party Transactions.

d. Ensure timely disclosures to the Stock Exchange.

e. Maintain records of approvals granted by the Audit Committee and Board.

f. Monitor compliance with this Policy and applicable statutory provisions.

12.4 Directors and KMPs

Every Director and KMP shall disclose their interest in entities and relationships as required under the Companies Act, 2013 and SEBI LODR Regulations and shall promptly inform the Company of any change in such disclosures.

13. NON-COMPLIANCE

Any violation of this Policy shall be reported to the Audit Committee and Board of Directors.

The Audit Committee shall examine the circumstances and recommend appropriate corrective action.

The Company shall take necessary steps to ensure compliance with the provisions of the Companies Act, 2013, SEBI LODR Regulations and other applicable laws.

Any non-compliance shall be dealt with in accordance with applicable statutory and regulatory provisions.

14. AMENDMENT AND REVIEW OF POLICY

The Board of Directors shall review this Policy at least once every three years and update it accordingly, or earlier whenever required due to any amendment in applicable laws or regulations.

Any amendment to this Policy shall be approved by the Board of Directors based on the recommendation of the Audit Committee, wherever appropriate.

In case of any inconsistency between this Policy and applicable statutory or regulatory provisions, the provisions of the applicable law shall prevail.

15. EFFECTIVE DATE

This Policy shall come into force from the date of its approval by the Board of Directors of the Company.

The Policy shall remain effective until amended or superseded by the Board of Directors.

For and on behalf of the Board of Directors

Poona Dal and Oil Industries Limited

Name: Sujit D Parakh

Designation: Managing Director

DIN: 00067011

Date: 31/10/2026

Place: Pune