Factory & Regd. Office :
Kantharia Industrial Estate.
Survey No.: 90/3/2/B, Opp. Sopara Phata Police Station, Pelhar,
N. H. No.8, Taluka - Vasai, Dist-Palghar, Pin: 401208.
CIN: L74140MH2010PLC205904
Phone: +91 8087042862

NAMAN INDUSTRIES PROXIMA LIMITED

POLICY ON MATERILITY OF THE RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

Pursuant to Regulation 23 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

{As recommended by the Audit Committee and approved by the Board of Directors of the company in the board meeting held on August 22nd, 2025}

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1. PREAMBLE:

The Board of Directors ('the Board) of Naman Industries Proxima Limited (the "Company") on basis of the recommendation of the Audit Committee, has adopted the Related Party Transaction Policy which provides a framework to regulate transactions between the Company and its related parties based on the laws and regulations applicable on the Company. This policy is framed as per Regulation 23 of SEBI (LODR) Regulation, 2015 and section 188 of Companies Act, 2013

2. SCOPE & OBJECTIVE:

This Policy is intended to ensure the proper approval and reporting of transactions between the Company and any of its Related Parties. This Policy shall apply to all transactions entered into by the Company with its Related Parties as per the applicable laws and regulations, including the Companies Act, 2013 (the "Companies Act") read with the rules framed thereunder and the Listing Regulations. The Company has, under this Policy, formulated guidelines for identification of Related Parties based on materiality thresholds and setting forth the proper conduct and documentation for Related Party Transactions. Going forward, the Audit Committee of the Company may review and amend this policy from time to time, subject to adoption by the Board.

3. DEFINITIONS:

3.1 "**Applicable Law**" means the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any further amendments therein which includes any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions.

3.2 "**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.

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3.3 **"Audit Committee or Committee"** means Committee of Board of Directors of the Company constituted in accordance with provisions of the Listing Regulations and the Companies Act.

3.4 **"Board"** means Board of Directors of the Naman Industries Proxima Limited.

3.5 **"Key Managerial Personnel"** means key managerial personnel as defined under the Companies Act, 2013.

3.6 **"Materiality of Related Party Transactions"** means a transaction with a Related Party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the company 'Related Party' will have the same meaning as defined under Section 2(76) of the Act or under the applicable Accounting Standards, as may be amended from time to time.

3.7 **"Ordinary course of business"** means the usual transactions, customs and practices 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. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

3.8 **"Policy"** means this Policy on Materiality of related party transactions and on dealing with related party transactions.

3.9 **"Relative"** in relation to the related party shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013 read with Rule 4 of The Companies (Specification of definition details) Rules, 2014

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3.10 **"Related Party"** means related party as defined under Section 2(76) of the Companies Act and Regulation 2(1)(zb) of the Listing Regulations, read with amendments issued from time to time which is as follows:

3.11 **"Related Party Transaction"** means:

for the purpose of the Act, specific transactions mentioned in clause (a) to (g) of sub section 1 of Section 188; for the purpose of Listing Regulations, transfer of resources, services or obligations between a listed entity Related Party, regardless of whether price is charged and a transaction with the related party shall be construed to include a single transaction or a group of transaction in a Contract.

Any other term not specifically defined hereinabove shall have the same meaning as defined under the Act, SEBI (Listing Obligations and Disclosure Requirement) Regulations, the Listing Agreement, Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, the Listing Regulations or any other applicable law or regulation.

4. MATERIALITY THRESHOLDS:

In accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, the Company shall consider a transaction with a related party to be material, if such transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds:

- Rupees Fifty Crore, or
- Ten percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company, whichever is lower.

All material related party transactions and any subsequent material modifications, as defined by the Audit Committee in accordance with Regulation 23(2) of the Listing Regulations, shall require prior approval of the shareholders through a resolution.

No related party shall vote to approve such resolutions, irrespective of whether the entity is a related party to the particular transaction or not. The Company shall ensure compliance with the applicable provisions of the Listing Regulations and other applicable laws while entering into, or approving, related party transactions that meet the above materiality thresholds.

5. IDENTIFICATION OF RELATED PARTIES:

5.1 The Company shall identify Related Parties in accordance with the provisions of the **Companies Act, 2013**, and the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, as amended from time to time. The list of Related Parties shall be reviewed and verified on a **periodic basis**.

5.2 The **Secretarial Department** shall circulate a disclosure format at prescribed intervals (at least once annually and upon any change) to all **Directors and Key Managerial Personnel (KMPs)**, seeking declarations and disclosures required to determine relationships that may qualify as Related Parties.

5.3 All Directors and KMPs shall **promptly inform** the Secretarial Department of any changes in their disclosures or declarations concerning relationships that may potentially qualify as Related Parties. This includes changes in employment, directorships, shareholding, or business interests.

5.4 It shall be the **individual responsibility** of every Director and KMP to **disclose any interest** (direct or indirect) in any proposed or existing Related Party Transaction (RPT), whether pertaining to themselves or their Relatives, and to provide any such additional information as may be reasonably requested by the **Board of Directors or the Audit Committee.**

5.5 The Secretarial Department shall maintain and **periodically update the master list of Related Parties** and ensure it is:

- Properly tagged and integrated within the **accounting and procurement systems** to facilitate transaction-level checks;
- Circulated periodically to all relevant **departments and stakeholders**, including finance, accounts, procurement, and compliance teams, who are in a position to initiate or monitor Related Party Transactions.

5.6 Any potential RPT identified by operational teams shall be escalated to the **Secretarial/Compliance Department** for prior verification against the Related Party master list before execution.

6. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS :

6.1 **Before** entering into any transaction, the Company shall conduct a **preliminary evaluation** to determine whether the proposed transaction falls within the scope of a **Related Party Transaction (RPT)** as defined under the **Companies Act, 2013**, and the **SEBI (LODR) Regulations, 2015**, as amended from time to time.

The **Chief Financial Officer (CFO)**, in consultation with the **Company Secretary** and such other functional heads or advisors as may be deemed appropriate, shall be responsible for:

- **Assessing the nature of the transaction** and the parties involved;
- Determining whether the transaction qualifies as an RPT;
- Identifying the applicable legal framework and classification of the transaction (e.g., ordinary course of business, arm's length basis, materiality, etc.);
- Ascertaining the **requisite level of approvals** required under applicable law and this Policy – including approval of the **Audit Committee, Board of Directors**, or **Shareholders**, as may be applicable.

No Related Party Transaction shall be entered into without obtaining **prior review and necessary approvals** as per the provisions of this Policy and applicable regulatory requirements.

6.2 Review and approval of Audit Committee:

In terms of Regulation 23 of Listing Regulation, prior approval of the Audit Committee is required for entering into transactions with related parties. Any member of the Committee who is in any way concerned or interested in any Related Party Transaction, shall remain abstain from discussion and voting on any such resolution. Further on regular basis the transactions entered by the Company with the related parties which are in the ordinary course of business and on Arm's Length basis shall be placed before the committee on quarterly basis for its ratification. However the Audit committee may grant omnibus approval in case of frequent/ regular/ repetitive transactions with related parties which are in the normal/ ordinary course of business of the Company. While granting such approval the Audit Committee shall satisfy itself regarding the need for the omnibus approval and that same is in the interest of the Company.

The omnibus approval shall specify the following:

a. Name of the related party
b. Nature of the transaction
c. Period of the transaction
d. Maximum amount of the transactions that can be entered into
e. Indicative base price / current contracted price and formula for variation in price, if any
f. Such other conditions as the Audit Committee may deem fit.

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction unless the price, value or material terms of the contract or arrangement have been varied/ amended. Any proposed variations/ amendments to these factors shall require a prior approval of the Committee. Further, where the need of the related party transactions cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the limits as envisaged in the Listing Regulation, from time to time. Further, the Committee shall on quarterly basis review and assess such transactions including the limits to ensure that they are in compliance with this Policy. The omnibus

approval shall be valid for a period of one year and fresh approval shall be obtained after the expiry of one year.

6.3 Approval by the Board:

The Related Party transactions as specified under Section (1) of the Section 188 of Act, which are not in the ordinary course of business and on an Arm's Length basis, shall require approval of the Board. Further If the Committee is of the view that certain Related Party Transaction(s) should be brought before the Board or if the Board in any case elects to review any such matter or it is specifically provided under any other provision of the Act to be passed by the Board, then the Board shall consider and approve such Related Party Transactions.

Where any Director is interested in any Contract or Arrangement with a related party, such Director shall not be present at the meeting during the discussions on the subject matter of the resolution relating to such contract or arrangement.

6.4 Approval of Shareholders:

a) All Material Related Party Transactions shall require approval of the shareholders through a resolution and the Related Parties shall abstain from voting on such resolution (for the purpose of Listing Regulations).

b) All the related party transaction(s) to be entered into in terms clauses (a) to (e) of subsection 1 of Section 188 the value/ consideration of which is in excess of their respective limits specified under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rule, 2014 other than Transactions specified in the Para (a) above and the transactions which are in ordinary course of business and on Arm's Length basis shall require approval of the shareholders. No member of the Company shall vote on any resolution involving a transaction if such member is a related party.

6.5 **Related Party Transactions not previously approved:**

If at any instance, the Company becomes aware of a Related Party Transaction that has not been approved or ratified, the transaction shall be placed as promptly as practicable before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and ratification/approval. The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances in respect of any such transaction(s) and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company shall take such action as the Committee / Board deems appropriate under the circumstances.

7. DISCLOSURE AND REPORTING OF RELATED PARTY TRANSACTIONS

The Company shall make appropriate disclosures/ reporting with respect to related party transactions, as per the applicable provisions of the Act and Listing Regulations. The Company shall also maintain relevant register(s) for recording particulars of all such transactions, contracts or arrangements with the related parties as per the relevant provisions of the Act.

8. EXEMPTION FROM THE APPLICABILITY OF THE POLICY:

This policy shall not apply to the following related party transaction and such transaction shall not require the approval of Audit Committee, Board or shareholders:

a) Any transaction that involves the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business, to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of it's subsidiaries or associates if any;

b) Any sale of product(s), asset(s) of the Company to any Director/ KMP/ Employee of the Company (being a related party) in terms of the Policy of the Company (applicable for consideration in monetary terms only).

c) Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party like payment of dividend, rights, bonus entitlement, buyback etc.

9. AMENDMENT:

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.

10. DISSEMINATION OF THE POLICY :

The policy shall be hosted on the website of the Company i.e https://nipl.co/investor.

For Naman Industries Proxima Limited

Director