ECOBOARD INDUSTRIES LIMITED

POLICY ON RELATED PARTY TRANSACTIONS AND MATERIALITY OF RELATED PARTY TRANSACTIONS

Effective Date: 23rd May, 2026
Date of Approval by the Board: 23rd May, 2026
Review Period: At least once in every three years or earlier, if required
Policy Owner: Company Secretary / Compliance Officer

1. PREAMBLE

This Policy on Related Party Transactions and Materiality of Related Party Transactions ("Policy") has been formulated by the Board of Directors ("Board") of **Ecoboard Industries Limited** ("Company") to establish a framework for identification, approval, review, disclosure and governance of Related Party Transactions ("RPTs").

The Policy is intended to ensure that all transactions with Related Parties are undertaken in a transparent, fair and responsible manner and are in the best interests of the Company and its shareholders.

The Policy has been framed having regard to the applicable provisions of the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations" or "LODR"), applicable Accounting Standards / Indian Accounting Standards, and circulars, master circulars, notifications, directions and industry standards issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time.

This Policy shall be read together with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and other applicable laws.

2. OBJECTIVES

The objectives of this Policy are to:

- establish a framework for identifying Related Parties and RPTs;
- ensure that RPTs are entered into only after obtaining the approvals required under applicable law and this Policy;
- ensure that RPTs are undertaken on appropriate commercial terms and, wherever applicable, on an arm's length basis;
- protect the interests of the Company and its minority shareholders;
- establish appropriate procedures for approval, review, monitoring and disclosure of RPTs;

- prescribe materiality thresholds for RPTs;
- provide a framework for dealing with material modifications to RPTs; and
- ensure compliance with applicable statutory, regulatory and accounting requirements.

3. SCOPE AND APPLICABILITY

3.1 This Policy shall apply to the Company and, to the extent prescribed under applicable law, to transactions involving the subsidiaries of the Company.

3.2 The Policy shall apply to all RPTs entered into by:

- the Company;
- any subsidiary of the Company, where approval or oversight of the Company is required under applicable law;
- the Company with a Related Party of the Company or of any of its subsidiaries; and
- any subsidiary with a Related Party where such transaction falls within the scope of Regulation 23 of the SEBI Listing Regulations.

3.3 Nothing contained in this Policy shall exempt the Company from complying with any provision of law that imposes a more stringent requirement.

3.4 Where any provision of this Policy is inconsistent with any applicable law, the applicable law shall prevail and this Policy shall be deemed to have been modified to that extent.

4. DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings set out below.

4.1 "Act" or "Companies Act"

Means the Companies Act, 2013, together with the rules made thereunder, as amended from time to time.

4.2 "Accounting Standards"

Means the applicable Indian Accounting Standards ("Ind AS") or Accounting Standards prescribed under the Companies Act, 2013, as applicable to the Company, as amended from time to time.

4.3 "Audit Committee"

Means the Audit Committee of the Board constituted in accordance with applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

4.4 "Board"
Means the Board of Directors of the Company.

4.5 "Material Related Party Transaction"
Means a Related Party Transaction which meets or exceeds the applicable materiality threshold prescribed under Regulation 23 of the SEBI Listing Regulations and Schedule XII thereto as amended from time to time.

A transaction involving payments made to a Related Party with respect to brand usage or royalty shall be considered material where such transaction(s), individually or together with previous transactions during a financial year, exceeds **5% of the annual consolidated turnover of the Company**, based on the last audited financial statements of the Company, or such other threshold as may be prescribed under applicable law.

4.6 "Material Modification"
Means a modification to an approved Related Party Transaction which, whether individually or together with other modifications during a financial year:

- materially changes the nature, scope, commercial substance, rights or obligations of the transaction;
- materially changes the consideration, tenure, pricing mechanism, payment terms, quantity, volume or other key commercial terms; or
- results in an increase in the value of the transaction exceeding **10% of the originally approved transaction value**, whether considered individually or together with previous modifications during the financial year,

provided that the Audit Committee may prescribe a lower threshold or additional parameters having regard to the nature of a particular class of transactions.

For the avoidance of doubt, any modification which results in a transaction becoming a Material Related Party Transaction shall be treated as a material modification requiring the approvals prescribed under applicable law.

4.7 "Related Party"
Means a related party as defined under Regulation 2(1)(zb) of the SEBI Listing Regulations, Section 2(76) of the Companies Act, 2013, applicable Accounting Standards and any other applicable law, as amended from time to time.

Where the definitions under applicable laws differ, the Company shall apply the definition which is applicable to the relevant transaction and regulatory requirement.

4.8 "Related Party Transaction" or "RPT"
For purposes of compliance with the SEBI LODR, "Related Party Transaction" shall have the meaning assigned to it under Regulation 2(1)(zc) of the SEBI LODR, as amended from time to time.

For purposes of the Act, the Company shall separately determine whether a transaction constitutes a related party contract or arrangement under Section 188 of the Act and the rules made thereunder.

For purposes of financial reporting, the Company shall determine related party transactions in accordance with the applicable Ind AS / Accounting Standards.

Nothing in this Policy shall restrict the application of any broader requirement prescribed under the Act, SEBI LODR, applicable accounting standards or other applicable law.

4.9 "Relative"
Means relative as defined under the Companies Act, 2013 and applicable rules, as amended from time to time.

4.10 "Senior Management"
Means senior management as defined under the SEBI Listing Regulations, as amended from time to time.

4.11 "Subsidiary"
Means a subsidiary as defined under the Companies Act, 2013 and the SEBI Listing Regulations, as applicable.

4.12 "Transaction"
Includes any contract, arrangement, understanding or transaction, whether entered into individually or as a group or series of transactions, and includes transactions whether or not entered into in the ordinary course of business and whether or not undertaken at arm's length.

5 IDENTIFICATION OF RELATED PARTIES

5.1 The Company Secretary / Compliance Officer shall maintain and periodically update a database/register of Related Parties of the Company.

5.2 Every Director and Key Managerial Personnel ("KMP") shall promptly disclose to the Company:

- details of persons and entities which are Related Parties;
- changes in their Related Parties;
- any interest, relationship or proposed transaction which may result in an RPT; and

- such other information as may reasonably be required by the Company.

5.3 Such disclosures shall be made:
- at the time of appointment;
- annually;
- whenever there is a change in the information previously provided; and
- whenever specifically requested by the Company.

5.4 The Company may obtain declarations or confirmations from Directors, KMPs, Senior Management and other relevant personnel for identifying Related Parties and potential RPTs.

5.5 The Finance Department and other business functions shall use the Related Party database before initiating or processing any transaction which may constitute an RPT.

6. IDENTIFICATION OF RELATED PARTY TRANSACTIONS

6.1 Before entering into any transaction which may constitute an RPT, the concerned business/function head shall notify the Company Secretary / Compliance Officer.

6.2 The Company Secretary/Compliance Officer, in consultation with the Finance Department and Legal Department, where necessary, shall determine whether the proposed transaction constitutes an RPT.

6.3 The determination shall consider:
- the parties to the transaction;
- the nature and purpose of the transaction;
- the relationship between the parties;
- whether the transaction is a single transaction or part of a series;
- the aggregate value of transactions during the relevant financial year;
- whether the transaction involves a subsidiary;
- whether the transaction is material;
- whether the transaction involves brand usage or royalty;
- whether the transaction constitutes a material modification; and
- any other applicable statutory or regulatory requirement.

7. GENERAL PRINCIPLES GOVERNING RPTS

The Company shall endeavour to ensure that:
- RPTs are undertaken in the ordinary course of business wherever commercially appropriate;
- RPTs are undertaken on arm's length terms wherever required or considered appropriate;
- RPTs are entered into only after obtaining the requisite approvals;

- no Related Party receives an undue benefit or preferential treatment;
- the terms of an RPT are fair and commercially reasonable;
- adequate documentation supporting the commercial rationale and pricing is maintained;
- conflicts of interest are appropriately identified and managed; and
- all applicable disclosure and reporting requirements are complied with.

8. APPROVAL OF RELATED PARTY TRANSACTIONS BY THE AUDIT COMMITTEE

8.1 All RPTs and subsequent material modifications to RPTs shall require prior approval of the Audit Committee, subject to the exemptions specifically provided under applicable law.

8.2 Only those members of the Audit Committee who are Independent Directors shall approve RPTs, to the extent prescribed by the SEBI Listing Regulations.

8.3 The Audit Committee shall consider, among other matters:

- the nature of the transaction;
- the identity and relationship of the Related Party;
- the business rationale;
- the expected benefits to the Company;
- the terms and conditions of the transaction;
- the pricing methodology;
- whether the transaction is at arm's length;
- whether the transaction is in the ordinary course of business;
- the estimated value and aggregate value during the financial year;
- the availability of comparable transactions or market benchmarks;
- whether the transaction is material;
- the impact on minority shareholders;
- whether the transaction requires Board or shareholder approval; and
- such other information as may be required under applicable law or the Company's internal procedures.

8.4 The Audit Committee may seek additional information, valuation reports, fairness opinions, legal opinions, expert opinions, certificates or other documents before approving an RPT.

8.5 The Audit Committee may approve, reject, modify, defer or impose conditions on a proposed RPT.

8.6 No RPT shall be split, structured or otherwise arranged with the intention of avoiding the approval requirements prescribed under applicable law or this Policy.

9. OMNIBUS APPROVAL

9.1 The Audit Committee may grant omnibus approval for RPTs proposed to be entered into by the Company or its subsidiaries, subject to the conditions prescribed under applicable law.

9.2 The Audit Committee shall lay down appropriate criteria for granting omnibus approvals having regard to:

- the repetitive nature of the transactions;
- the need for the transactions;
- the interests of the Company;
- the expected value of the transactions;
- the pricing mechanism;
- the maximum aggregate amount;
- the maximum amount per transaction;
- the period of the approval; and
- such other factors as the Audit Committee considers appropriate.

9.3 Every omnibus approval shall, to the extent applicable, specify:

- the name of the Related Party;
- the nature of the transaction;
- the period of the transaction;
- the maximum aggregate value;
- the maximum value per transaction;
- the indicative base price/current contracted price and the formula for variation in price, if any;
- the basis for determining that the transaction is in the interest of the Company; and
- any other conditions imposed by the Audit Committee.

9.4 Where the need for an RPT cannot be foreseen and the aforesaid details are not available, omnibus approval may be granted subject to the limits prescribed under applicable law.

9.5 The Audit Committee shall review, at least quarterly, the RPTs entered into pursuant to omnibus approvals.

9.6 Omnibus approvals shall remain valid only for the period permitted under applicable law and shall not exceed one year unless otherwise permitted by applicable law.

10. MATERIAL RELATED PARTY TRANSACTIONS

10.1 A Related Party Transaction shall be considered material where the transaction(s), individually or together with previous transactions during the financial year, exceeds the applicable threshold prescribed under Schedule XII of the SEBI Listing Regulations.

10.2 The current Schedule XII framework is as follows:

Annual Consolidated Turnover of Listed Entity	**Materiality Threshold**
Up to ₹20,000 crore	10% of annual consolidated turnover
More than ₹20,000 crore and up to ₹40,000 crore	₹2,000 crore + 5% of annual consolidated turnover above ₹20,000 crore
More than ₹40,000 crore	₹3,000 crore + 2.5% of annual consolidated turnover above ₹40,000 crore, or ₹5,000 crore, whichever is lower

10.3 For calculating the above threshold, annual consolidated turnover shall be determined based on the last audited consolidated financial statements of the Company.

10.4 The materiality threshold applicable to transactions involving payments for brand usage or royalty shall be **5% of annual consolidated turnover**, based on the last audited financial statements, or such other threshold as may be prescribed under applicable law.

10.5 The thresholds contained in this Policy shall automatically stand modified to the extent required by any amendment to the SEBI Listing Regulations.

11. SHAREHOLDER APPROVAL

- All Material Related Party Transactions and subsequent material modifications shall require prior approval of the shareholders in accordance with Regulation 23 of the SEBI Listing Regulations.

- The explanatory statement accompanying the notice of the general meeting shall contain all information required under applicable law, including the minimum information prescribed by SEBI from time to time.

- No Related Party shall vote to approve a resolution relating to a Material Related Party Transaction, whether or not such Related Party is a Related Party to the particular transaction, to the extent prohibited by applicable law.

- The Company shall ensure that the shareholder notice contains adequate information enabling shareholders to take an informed decision.

- Where shareholder approval is required under both the Companies Act and the SEBI Listing Regulations, the Company shall comply with the more stringent requirement.

12. MINIMUM INFORMATION FOR AUDIT COMMITTEE AND SHAREHOLDERS

12.1 The agenda placed before the Audit Committee for approval of an RPT shall contain the information required under applicable SEBI regulations, circulars, master circulars and Industry Standards.

12.2 The Company shall follow the applicable SEBI framework prescribing minimum information to be provided to the Audit Committee and shareholders for approval of RPTs.

12.3 The Company shall also obtain such certificates, confirmations or declarations from the Chief Executive Officer, Chief Financial Officer, Company Secretary or other authorised officers as may be required under applicable Industry Standards.

13. MATERIAL MODIFICATIONS

13.1 All subsequent material modifications to Material Related Party Transactions shall require prior approval in accordance with the SEBI Listing Regulations.

13.2 For the purpose of this Policy, a modification shall generally be regarded as material where:

- the transaction value increases by more than 10% of the originally approved value;
- the modification materially changes the nature or commercial substance of the transaction;
- the tenure is materially extended;
- the pricing mechanism is materially altered;
- a material change is made to the rights or obligations of either party;
- a new material obligation or liability is imposed on the Company; or
- the modification causes the transaction to cross the applicable materiality threshold.

13.3 The Audit Committee may prescribe additional or lower thresholds for particular classes of transactions.

13.4 Routine changes arising from normal business fluctuations, changes in applicable taxes or statutory levies, changes pursuant to applicable law, or changes which are purely administrative and do not materially alter the commercial substance of the transaction may not constitute a Material Modification, subject to the determination of the Audit Committee.

13.5 The concerned business function shall notify the Company Secretary of any proposed modification to an approved RPT sufficiently in advance of implementation.

14. RATIFICATION OF RPTS

14.1 The Company shall endeavour to obtain prior approval for every RPT.

14.2 Where an RPT has been entered into without prior Audit Committee approval due to an inadvertent omission or exceptional circumstances, the transaction shall immediately be reported to the Company Secretary and placed before the Audit Committee for appropriate action.

14.3 The Independent Directors constituting the Audit Committee may ratify an RPT within three months from the date of the transaction or at the immediate next meeting of the Audit Committee, whichever is earlier, subject to the conditions prescribed under Regulation 23.

14.4 Such ratification shall be permissible only where:

- the aggregate value of the ratified transaction(s) with a Related Party during the financial year does not exceed ₹1 crore;
- the transaction is not a Material Related Party Transaction;
- the rationale for the inability to obtain prior approval is placed before the Audit Committee;
- the ratification is disclosed as required under applicable law; and
- all other applicable conditions are satisfied.

14.5 Failure to obtain required ratification may render the transaction voidable in accordance with applicable law and may result in such further action as the Audit Committee or Board considers appropriate.

14.6 Where an RPT is entered into with a Related Party of a Director, or is authorised by a director, the concerned Director(s) may be required to indemnify the Company against losses to the extent provided under applicable law.

15. TRANSACTIONS EXEMPT FROM AUDIT COMMITTEE / SHAREHOLDER APPROVAL

- Transactions which are specifically exempted under the SEBI Listing Regulations shall be treated in accordance with the applicable exemption.
- Such exemptions may include transactions specifically covered by Regulation 23(5) or other applicable provisions of the SEBI Listing Regulations.
- Exemption from approval requirements under one law shall not automatically constitute an exemption under another applicable law.
- The Company Secretary shall determine the applicability of any exemption on a transaction-by-transaction basis.

16. ORDINARY COURSE OF BUSINESS AND ARM'S LENGTH BASIS

16.1 The fact that a transaction is:

- in the ordinary course of business; or

- at arm's length,

shall not by itself exempt the transaction from the approval requirements applicable to listed entities under the SEBI Listing Regulations.

16.2 For transactions to which Section 188 of the Companies Act applies, the Company shall separately assess whether the transaction is:

- in the ordinary course of business; and
- on an arm's length basis,

for determining the applicability of the provisions of the Companies Act.

16.3 Where required, the Company may obtain independent benchmarking, valuation, transfer-pricing analysis or other professional advice.

17. PRICING AND COMMERCIAL TERMS

- The pricing of RPTs shall, wherever applicable, be determined on an arm's length basis.
- The Company shall consider relevant market benchmarks, comparable transactions, quotations, independent valuations, cost-plus methodology, transfer-pricing requirements or other appropriate methodologies.
- The Company shall maintain adequate documentation supporting the basis on which the commercial terms were determined.
- Where a transaction is not capable of being benchmarked against comparable third-party transactions, the Audit Committee shall consider the commercial rationale, valuation methodology and other relevant factors before approving the transaction.

18. CONFLICTS OF INTEREST

- A Director, KMP or Senior Management Personnel having an interest in a proposed RPT shall disclose such interest in accordance with applicable law.
- Such person shall abstain from participating in discussions or voting where required under applicable law or as directed by the Chairperson of the meeting.
- Directors and KMPs shall not use their position to influence the approval of an RPT in which they or their Related Parties have an interest.

19. DISCLOSURE OF RELATED PARTY TRANSACTIONS

- The Company shall make disclosures of RPTs in the manner and within the timelines prescribed under the SEBI Listing Regulations and applicable circulars.
- The Company shall submit the required disclosures to the stock exchanges in the prescribed format and frequency.
- The Company shall make disclosures in its financial statements in accordance with applicable Accounting Standards / Ind AS.
- The Company shall make such disclosures in the Annual Report as may be required under applicable law.

- Details of RPTs shall be disclosed on the Company's website in accordance with applicable law.
- The Company shall maintain the web link to this Policy and other required RPT disclosures on its website under the appropriate Corporate Governance / Policies section.

20. WEBSITE DISCLOSURE

- This Policy shall be disclosed on the Company's website.
- The website shall contain the latest approved version of this Policy.
- Whenever the Policy is amended, the updated Policy shall be uploaded on the Company's website within the period prescribed under applicable law.
- The Company shall ensure that the Policy is easily accessible and remains available for the period required under applicable law.

21. RECORDS AND DOCUMENTATION

21.1 The Company shall maintain appropriate records of:

- declarations of Related Parties;
- RPT proposals;
- Audit Committee approvals;
- omnibus approvals;
- Board approvals;
- shareholder approvals;
- material modification approvals;
- ratifications;
- valuation reports and benchmarking documents;
- supporting commercial documentation;
- disclosures made to stock exchanges;
- disclosures made in financial statements; and
- other documents required under applicable law.

21.2 Records shall be preserved in accordance with the Company's Policy on Preservation of Documents and applicable law.

22. RESPONSIBILITIES

22.1 Board of Directors

The Board shall:

- approve this Policy;
- oversee the Company's framework for dealing with RPTs;
- approve RPTs where required under applicable law;
- ensure appropriate governance and oversight; and
- review the effectiveness of the Policy.

22.2 Audit Committee

The Audit Committee shall:

- approve RPTs as required;
- approve or recommend Material RPTs for shareholder approval;
- approve omnibus arrangements;
- review RPTs entered into pursuant to omnibus approvals;
- review material modifications;
- ratify RPTs where permitted;
- establish criteria for omnibus approvals;
- monitor compliance with this Policy; and
- undertake such other functions as prescribed under applicable law.

22.3 Company Secretary / Compliance Officer

The Company Secretary / Compliance Officer shall:

- administer this Policy;
- maintain the Related Party database;
- coordinate the RPT approval process;
- monitor applicable thresholds;
- coordinate disclosures to stock exchanges;
- ensure website disclosure of the Policy;
- maintain records; and
- advise management and the Audit Committee on applicable regulatory requirements.

22.4 Chief Financial Officer / Finance Function

The CFO / Finance Function shall:

- identify potential RPTs;
- provide transaction values and financial information;
- monitor cumulative transaction values;
- assist in benchmarking and pricing analysis;
- ensure appropriate accounting treatment; and
- provide information required for statutory and regulatory disclosures.

22.5 Business / Functional Heads

Every business or functional head proposing an RPT shall:

- identify the Related Party before committing to the transaction;
- notify the Company Secretary sufficiently in advance;
- provide complete information regarding the transaction;
- ensure that no transaction is committed before obtaining required approval; and
- monitor compliance with approved terms.

22.6 Directors, KMPs and Senior Management

Directors, KMPs and Senior Management shall:

- disclose their Related Parties;

- disclose potential conflicts of interest;
- notify the Company of proposed RPTs;
- comply with applicable approval procedures; and
- refrain from circumventing this Policy.

23. PROHIBITION ON CIRCUMVENTION

No employee, officer, Director, KMP or other person acting on behalf of the Company shall:

- split a transaction into multiple transactions to avoid an approval threshold;
- route a transaction through an unrelated third party for the purpose of avoiding this Policy;
- mischaracterise a transaction to avoid RPT requirements;
- enter into an RPT before obtaining the required approval; or
- otherwise structure a transaction with the intention of circumventing applicable regulatory requirements.

Any suspected circumvention shall be immediately reported to the Company Secretary, Compliance Officer or Chairperson of the Audit Committee.

24. NON-COMPLIANCE

24.1 Any violation of this Policy shall be reported to the Audit Committee.

24.2 The Audit Committee may take such action as it considers appropriate, including:

- requiring ratification where legally permissible;
- directing modification or discontinuation of the transaction;
- requiring additional disclosures;
- requiring corrective measures;
- recommending disciplinary action; or
- taking any other action permitted under applicable law.

24.3 Nothing in this Policy shall restrict the Company from taking action under applicable employment, contractual, civil, criminal or regulatory provisions.

25. AUDIT AND MONITORING

- The internal audit function may periodically review compliance with this Policy.
- The statutory auditors may be provided access to RPT records and supporting documentation as required.
- The Audit Committee may commission an independent review of RPTs where it considers appropriate.
- Any material exception or deviation identified during an audit shall be reported to the Audit Committee.

26. AMENDMENT OF THE POLICY

26.1 The Audit Committee shall review this Policy periodically and recommend changes to the Board.

26.2 The Policy shall be reviewed at least once every three years and earlier if:

- there is a change in applicable law;
- SEBI or any other regulatory authority issues new requirements;
- there is a material change in the Company's business or group structure; or
- the Audit Committee or Board considers revision necessary.

26.3 The Board may amend this Policy from time to time.

26.4 Any amendment required solely to reflect a mandatory change in law may be incorporated in the Policy pursuant to the authority delegated by the Board, subject to placing the amended Policy before the Audit Committee and Board at the next appropriate meeting.

27. EFFECTIVE DATE

This Policy shall become effective from 23rd May, 2026, being the date on which it is approved by the Board of Directors of the Company.

Upon becoming effective, this Policy shall supersede and replace all previous policies of the Company relating to materiality of Related Party Transactions and dealing with Related Party Transactions.

ANNEXURE I

MATERIALITY THRESHOLD

For the purposes of Regulation 23 of the SEBI Listing Regulations, a Related Party Transaction shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the applicable threshold below:

Consolidated Turnover of Listed Entity	**Threshold**
Up to ₹20,000 crore	10% of annual consolidated turnover
More than ₹20,000 crore to ₹40,000 crore	₹2,000 crore + 5% of annual consolidated turnover above ₹20,000 crore
More than ₹40,000 crore	₹3,000 crore + 2.5% of annual consolidated turnover above ₹40,000 crore, or ₹5,000 crore, whichever is lower

The annual consolidated turnover shall be determined on the basis of the last audited consolidated financial statements of the Company.

For payments relating to brand usage or royalty, the materiality threshold shall be 5% of annual consolidated turnover, or such other threshold as may be prescribed under applicable law.

The above thresholds shall automatically stand modified to reflect any amendment to the SEBI Listing Regulations.