



INDO-MIM LIMITED

Regd office: 45(P), KIADB Industrial Area, Hoskote, Bangalore 562114

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

(v1 / Aug 07, 2025)

1. Preamble:

Pursuant to provisions of Regulation 23 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Board of Directors of each Company shall mandatorily frame a Policy on materiality of related party transactions and on dealing with related party transactions specifying therein:

Related party transactions.

(1) The entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once in every year and updated accordingly:

Provided that 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, rupees one thousand crore or exceeds ten percent of the annual consolidated turnover of the entity as per the last audited financial statements of the entity, whichever is lower.

(1A) Notwithstanding the above, with effect from July 01, 2019 a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the entity as per the last audited financial statements of the entity .

For INDO-MIM Limited


Company Secretary

(2) All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the entity.

Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions. Provided further that:

(a) the audit committee of a entity shall define "material modifications" and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions;

(b) a related party transaction to which the subsidiary of a entity is a party but the entity is not a party, shall require prior approval of the audit committee of the entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the entity;

(c) with effect from April 1, 2023, a related party transaction to which the subsidiary of a entity is a party but the entity is not a party, shall require prior approval of the audit committee of the entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary;

(d) prior approval of the audit committee of the entity shall not be required for a related party transaction to which the listed subsidiary is a party but the entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary. Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (d) above, the prior approval of the audit committee of the listed subsidiary shall suffice.

(e) remuneration and sitting fees paid by the 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 approval of the audit committee provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.

For INDO-MIM Limited


Company Secretary

(f) 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:

- i. 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 rupees one crore;
- ii. the transaction is not material in terms of the provisions of sub-regulation (1) of this regulation;
- iii. rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
- iv. the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of this regulation;
- v. 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 authorised by any other director, the director(s) concerned shall indemnify the entity against any loss incurred by it.

(3) Audit committee may grant omnibus approval for related party transactions proposed to be entered into by the entity or its subsidiary subject to the following conditions, namely-

(a) the audit committee shall lay down the criteria for granting the omnibus approval in line with the policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

(b) the audit committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the entity;

(c) the omnibus approval shall specify:

(i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into,

For INDO-MIM Limited


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(ii) the indicative base price / current contracted price and the formula for variation in the price if any; and

(iii) such other conditions as the audit committee may deem fit: Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

(d) the audit committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the entity or its subsidiary pursuant to each of the omnibus approvals given.

(e) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year:

(4) All material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (2) shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not:

Provided that prior approval of the shareholders of an entity shall not be required for a related party transaction to which the listed subsidiary is a party but the entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.

Provided further that the requirements specified under this sub-regulation shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved;

(5) The provisions of sub-regulations (2), (3) and (4) shall not be applicable in the following cases:

(a) transactions entered into between two public sector companies;

(b) transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

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(c) transactions entered into between two wholly-owned subsidiaries of the holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

(d) 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.

(e) transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand.

(6) The provisions of this regulation shall be applicable to all prospective transactions.

(7) All existing material related party contracts or arrangements entered into prior to the date of notification of these regulations and which may continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of these regulations.

(8) The entity shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the Board from time to time, and publish the same on its website:

Provided that a 'high value debt entity' shall submit such disclosures along with its standalone financial results for the half year:

Provided further that the entity shall make such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results:

Provided further that the entity shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results with effect from April 1, 2023:

Provided further that the remuneration and sitting fees paid by the 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 under this sub-regulation provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.

For INDO-MIM Limited


Company Secretary

2. Scope :-

INDO-MIM Limited shall engage with Related Parties in the ordinary course of business as per the discretion of the company and on an arm's length basis to Manufacturing scale, size and drive operational synergies to provide value added, innovative products to its consumers while ensuring that transactions with Related Parties are, fully compliant with applicable Regulations.

Accordingly, the Board of Directors of INDO-MIM Limited has adopted this Policy. This policy is effective from the date of its adaptation by Board of Directors and shall be valid till it is modified, replaced or cancelled. In case of any contradiction between this policy and provision of any Act, Rules and Regulations, provisions of such Act, Rules and Regulations shall apply.

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3 Objectives

The Board of INDO-MIM Limited ("INDO-MIM" or "the Company"), after due consideration and the recommendation of the Audit Committee, has adopted this Policy and associated procedures with regard to Related Party Transactions, in line with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations, 2015') as amended from time to time, respectively.

This Policy is intended to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

For INDO-MIM Limited


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4. Definitions and Applicability

All terms used in this Policy document defined herein shall have the meaning to such terms in the Companies Act, 2013 and the Rules made there under and the Listing Regulations, 2015, as amended from time to time.

This Policy is applicable to INDO-MIM Limited. The Policy to the extent applicable may be adopted by Subsidiary Companies. Accordingly, the terms 'Company', 'Board of Directors', 'Audit Committee', 'Nomination and Remuneration Committee', 'Corporate Social Responsibility Committee' shall be construed with reference to the respective Companies. In case the Company is not required to constitute any of the Committee as per the applicable provisions of the Companies Act, 2013 and the Listing Regulations, 2015, the reference to the Committees in this Policy shall be read as the 'Board of Directors'.

The Audit Committee of the Company shall review all Related Party Transactions and suggest such actions, if required, that are consistent with the approach outlined in this Policy namely of executing Related Party Transactions that are in the ordinary course of business and at arm's length.

5. Dealing with Related Party Transactions

Related Party Transactions are prohibited, unless approved or ratified by the Audit Committee and / or the Board of Directors of the Company in accordance with this Policy. In dealing with Related Party Transactions, the Company will follow the following approach:

a. Identification of Related Party Transactions

All **Related** Party Transactions must be brought to the notice of the Audit Committee of the Company.

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.

All Directors, Members of the Management Committee and Key Managerial Personnel (KMPs) are responsible for informing the Company of their interest (including interest of their Relatives) in other Companies, firms or concerns at the beginning of every financial year and any change in such interest during the year. In addition, all Directors, Members of the Management Committee and KMPs are responsible for providing notice to the Company Secretary of any potential Related Party Transaction involving him/her or his or her relative, including any additional information about the transaction that the Audit Committee may request. The Board shall record the disclosure of interest and the Audit Committee will determine whether the transaction is in the ordinary course of business and on an arm's length basis.

Such notice of any potential Related Party Transaction should be given well in advance so that the Company Secretary has adequate time to obtain and review information about the proposed transaction and to refer it to the Audit Committee.

b. Review and Approval of Related Party Transactions

All Related Party Transactions shall be approved or ratified by the Audit Committee of the Company in accordance with this Policy.

Unless otherwise stated in this Policy, all Related Party Transactions require prior approval of the Audit Committee of the Company. All Related Party Transactions must be reported to the Company Secretary who shall submit the same for approval or ratification by the Audit Committee in accordance with this Policy.

The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall include the following, namely:

- i. Maximum value of transactions, in aggregate, which can be allowed under the omnibus route in a year;
- ii. Maximum value per transaction which can be allowed;
- iii. Extent and manner of disclosures to be made to the Audit

- Committee at the time of seeking omnibus approval;
- iv. Review of RPTs at such intervals as the Audit Committee may deem fit, entered into by the Company pursuant to each of the omnibus approval made;
 - v. Transactions which cannot be subject to omnibus approval by the Audit Committee.

Based on the aforementioned criteria, the Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval to Related Party Transactions that are repetitive in nature.

Such omnibus approval will be granted to the transactions which, in addition to meeting the above criteria, also satisfy the following considerations:

- (a) The transaction in question is necessary to be executed as it is in the business interest of the Company;
- (b) The requisite information is presented to the Audit Committee's satisfaction, to confirm that the transaction is at arm's length and in ordinary course of business;
- (c) Such omnibus approval shall specify:
 - i. the name/s of the Related Party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
 - ii. the indicative value and the formula for variation in the value, if any and
 - iii. such other conditions as the Audit Committee may deem fit;

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

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

In an unforeseen event where a Related Party Transaction, for which Omnibus approval has not been given by the Audit Committee, needs to be entered due to business exigencies between two Audit Committee meetings, the Audit Committee may approve such Related Party Transaction by passing a resolution by circulation, after satisfying itself that

such transaction is in the interest of the Company subject to their value not exceeding rupees one crore per transaction.

Ratification, if any, of a Related Party Transaction after its commencement or completion will be approved by the Audit Committee in exceptional circumstances only. A Related Party Transaction entered into without prior approval of the Audit Committee shall not be deemed to violate this Policy, or be invalid or unenforceable, so long as the transaction is brought to the Audit Committee for ratification as promptly as reasonably practical after it is entered into, and such transaction is ratified.

Any Member of the Audit Committee, who has a potential interest in any Related Party Transaction, will recuse himself or herself and abstain from voting on the approval or ratification of such Related Party Transaction. Such Member may, however, participate in discussions with respect to other Related Party Transactions placed for approval or ratification of the Audit Committee.

All Related Party Transactions that are not in the ordinary course of business or not on arm's length basis shall be referred to the Board of Directors for their approval. Any Member of the Board who has a potential interest in such Related Party Transaction will recuse himself or herself and abstain from voting on the approval of such Related Party Transaction. Such Member may, however, participate in discussions with respect to other Related Party Transactions placed for approval of the Board.

Any such Related Party Transactions shall also be placed for prior approval of shareholders if it exceeds the thresholds as prescribed under the Companies Act, 2013 and rules made there under and the Listing Regulations, 2015.

All entities falling under the definition of Related Parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

For INDO-MIM Limited


Company Secretary

c. Related Party Transactions that shall not require Approval.

Following transactions shall not require separate approval under this Policy:

- a. Any transaction pertaining to appointment and remuneration of Directors and KMPs that has already been approved by the Nomination and Remuneration Committee of the Company or the Board;
- b. Transactions that have been approved by the Board under the specific provisions of the Companies Act 2013, e.g. inter-corporate deposits, borrowings, investments with or in wholly owned subsidiaries or other Related Parties;
- c. Payment of Dividend;
- d. Transactions involving corporate restructuring, such as buy-back of shares, capital reduction, merger, demerger, hive-off, approved by the Board and carried out in accordance with the specific provisions of the Companies Act, 2013 or the Listing Regulations, 2015;
- e. Contribution to Corporate Social Responsibility (CSR) obligations, subject to approval of CSR Committee and within the overall limits approved by the Board of Directors of the Company.

6. Material Related Party Transactions

All Material Related Party Transactions and subsequent material modifications shall be placed for prior approval of shareholders through resolution and no related party shall vote to approve. The Company has fixed the following materiality threshold for the purposes of Companies Act , 2013 and SEBI Listing Regulations, 2015:

- a. Transactions with a Related Party covered under Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014, shall be governed by the respective limits provided under the said rules.
- b. For other type of transactions with a Related Party, the materiality threshold shall be rupees one thousand crore or 10% of the annual consolidated turnover of the Company as per its last audited financial statements, whichever is lower.

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- c. For payment to a Related Party with respect to brand usage or royalty, materiality threshold shall be as per limits specified under the Listing Regulations, 2015, as amended from time to time.

The Material Related Party Transactions entered between INDO-MIM and its wholly owned subsidiaries shall not require prior approval of shareholders.

Related Party Transactions Policy on materiality and its threshold limits shall be reviewed by the Board of Directors of the Company once in every year and updated accordingly.

7. Disclosure(s)

Details of all Related Parties Transactions on a consolidated basis shall be disclosed, on a half yearly basis, along with the half yearly standalone and consolidated financial statements, to the Stock Exchanges.

The Company shall disclose the Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions on its website and provide weblink in the Annual Report. In addition to the disclosures required under Accounting Standard, Related Party Transactions that are not at arm's length basis and Material Related Party Transactions that are at arm's length or such other transactions as may be statutorily required, shall be disclosed in the Annual Report of the Company.

8. Governance of the Policy

The Company shall constitute a Steering Committee which will be headed by the Chief Financial Officer and the Company Secretary and will have such Members from Finance, Corporate Secretarial and other functions as may be determined by the Chief Financial Officer and the Company Secretary. The Steering Committee shall meet periodically to ensure that the actions agreed with the Audit Committee and the Board with respect to Related Party Transactions has been implemented.

For INDO-MIM Limited


Company Secretary

The Steering Committee shall also ensure that the systems and processes are in place for identification and approval of Related Party Transactions as per this Policy.

9. Amendments to the Policy

The Audit Committee of the Company shall review the Policy at least once in every year and may amend this Policy from time to time, subject to the approval of the Board of Directors of the Company.

Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

For INDO-MIM Limited


Company Secretary