

GREENPANEL INDUSTRIES LIMITED

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

The Board of Directors ("Board") of Greenpanel Industries Limited ("Company") originally adopted this Policy on Related Party Transactions ("Policy") on August 14, 2019, in accordance with Clause 49 of the erstwhile Equity Listing Agreement.

The above policy was amended from time to time. This Policy was revised and adopted by the Board on May 22, 2025.

EFFECTIVE DATE

This revised Policy shall be effective from May 22, 2025.

SCOPE AND PURPOSE

This Policy is framed in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of SEBI LODR. It ensures the proper approval, disclosure, and reporting of all Related Party Transactions (RPTs), as required under applicable laws.

The Board acknowledges that certain RPTs may present potential or actual conflicts of interest. Therefore, all RPTs must be conducted at arm's length and in a fair, transparent manner. No preferential treatment shall be extended, and adequate disclosures and approvals must be ensured as per law and Company policy.

Based on the Audit Committee's recommendation, this Policy is adopted to govern the review, approval, materiality determination, and reporting of RPTs.

CLARIFICATIONS, AMENDMENTS AND UPDATES

This Policy shall always be read in conjunction with the applicable provisions of law. Any amendments or clarifications issued by the relevant regulatory authorities will be deemed incorporated into this Policy to ensure continued compliance.

References to Accounting Standards in this Policy shall mean the standards as applicable to the Company at the relevant time.

Unless otherwise defined herein, all terms shall carry the same meanings as assigned under the Companies Act, 2013 or SEBI LODR, as applicable.

DEFINITIONS

1. **"Act" or "Act, 2013"** means the Companies Act, 2013, and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactment thereof.
2. **"Applicable Law"** Includes the Act, SEBI (LODR) Regulation, Indian Accounting Standards, and all statutes, regulations, or government directives relating to RPTs applicable to the Company.
3. **"Arm's length Transaction"**: A transaction between related parties conducted as if they were unrelated, ensuring fairness and absence of conflict of interest.

4. **“Audit Committee” or “Committee”**: The committee constituted under Section 177 of the Act and Regulation 18 of SEBI LODR.
5. **“Board”** means the Board of Directors of the Company.
6. **“Compliance Officer”**: The Company Secretary or any person designated by the Board fulfilling the criteria under Regulation 6 of SEBI LODR.
7. **“Company”**: Greenpanel Industries Limited.
8. **“Key Managerial Personnel”** includes:
 - CEO/Managing Director/Manager
 - Company Secretary
 - Whole-time Director
 - Chief Financial Officer
 - One level below director designated as KMP by the Board
 - Any officer prescribed under applicable law
9. **“Material modification(s)”** –Refers to significant changes in approved RPTs affecting the nature, value, duration, or financial impact. Examples include:
 - Change in transaction value by 25% or more
 - Ceasing to be at arm’s length
 - Financial waiver/abatement exceeding 25%
 - Extension of tenure by 25% or more
 - Subordination or relaxation of security interest
 - Novation to a third party**Exclusions from “Material Modification”:**
 - Changes mandated by law
 - Changes as per original contract terms
 - Modifications due to internal restructuring (e.g., mergers)
 - Technical changes with no substantive impact
 - Uniform modifications across similar transactions
10. **“Material Related Party Transactions”**
 - A). **As per SEBI LODR:**
 - Transactions exceeding ₹1000 crores or 10% of annual consolidated turnover (whichever is lower), excluding WOS with consolidated accounts presented at AGM.
 - Payments related to brand usage or royalty exceeding 5% of consolidated turnover.
 - B). **As per Act, 2013:**
 - Transactions under Section 188(1) exceeding prescribed thresholds as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.
11. **“Ordinary Course of Business”**: Activities customarily undertaken by the Company in line with its objects and normal business practices.
12. **“Retail Purchase”**: Purchase made through the Company’s retail channels (online or

company-owned outlets).

13. “Relative(s)”: As defined under Section 2(77) of the Act and Regulation 2(1) (zd) of SEBI LODR.

14. “Related Party” means and includes any person or entity who is related to the Company in terms of —

- a. Section 2(76) of the Act, 2013
- b. Regulation 2(1) (zb) of the SEBI LODR
- c. Ind AS 24, as amended from time to time

15. “Related Party Transaction” / “RPT” means any transaction or group of transactions in a contract involving the transfer of resources, services, or obligations, regardless of whether a price is charged, and subject to the exclusions mentioned in point no. 15 below, between —
(i) a listed entity or any of its subsidiaries on one hand, and a related party of the listed entity or any of its subsidiaries on the other hand; or
(ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, where the purpose and effect is to benefit a related party of the listed entity or any of its subsidiaries;

16. Notwithstanding the foregoing, the following shall not be deemed Related Party Transactions for the purpose of this Policy:

- a. The issue of specified securities on a preferential basis, subject to compliance with the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- b. The following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. subdivision or consolidation of securities;
 - iii. issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities.
- c. Retail purchases from any listed entity or its subsidiary by its directors or employees, without establishing a business relationship and on terms which are uniformly applicable/offered to all employees and directors.
- d. Any other exception consistent with the Applicable Laws, including any rules or regulations made thereunder, and which does not require prior approval by the Audit Committee.

All terms not defined herein shall take their meaning from the Applicable Laws.

POLICY STATEMENT

A. Identification of Related Parties and Related Party Transactions

- a) The Compliance Officer shall at all times:
 - i. Identify the Company’s Related Parties along with their personal/company details and compile a list thereof in accordance with SEBI (LODR) Regulation and the Act, based on such identification, disclosures provided by the Directors and Key Managerial Personnel, details from the CFO or any other person responsible for Accounts & Finance functions,

and any other information available with the Company.

ii. Identify managers, departmental heads, and other employees responsible for entering into contracts/arrangements/agreements on behalf of the Company and circulate the list of Related Parties to all departmental heads along with approval thresholds for entering into transactions with such Related Parties.

iii. Establish a mechanism for reporting such transactions proposed or entered into with Related Parties by the departmental heads specified in (ii) above.

iv. Update the record of Related Parties whenever necessary and review it at least once a year, as of 1st April every year.

v. Present the record of Related Parties, and the employees identified for reporting Related Party Transactions to the Audit Committee semi-annually.

vi. Ensure Senior Management Personnel disclose to the Audit Committee all material financial and commercial transactions with Related Parties where they have a personal interest that may conflict with the interests of the listed entity.

b) Regarding Immaterial Transactions (defined below), internal systems may be created to ensure that employees approving transactions are not related to the contracting parties, and alternative approving authorities are appointed. These systems shall be placed before the Audit Committee and circulated to all departmental heads for effective monitoring of all Related Party Transactions, whether immaterial or otherwise.

c) Each Director and Key Managerial Personnel is responsible for disclosing and periodically updating particulars of their relatives and their interests in other entities, either as Director, Member, Partner, etc. Additionally, they shall provide notice to the Board of any potential Related Party Transaction involving themselves or their relatives, including any further information the Board or Audit Committee may reasonably request.

d) The Chief Financial Officer or person responsible for Accounts & Finance functions shall identify related parties as per applicable Accounting Standards and report details to the Company Secretary.

e) All functional team members responsible for contracts/arrangements on behalf of the Company shall prepare and route a fact sheet detailing brief particulars of the contract and contracting party (including names of Directors and major shareholders) to the CFO or Compliance Officer. The CFO or Compliance Officer shall review to determine if the contracting party is related and whether the proposed transaction is within approved limits, and either approve or reject the proposal.

f) The Company prefers to receive notice of any potential Related Party Transaction well in advance from functional teams, so the Audit Committee/Board has adequate time to review and consider approvals.

B. Hierarchy of Approvals in Connection with Related Party Transactions

I. Audit Committee

1. All Related Party Transactions proposed to be entered into by the Company, and any material modifications thereto, shall require prior approval of the Audit Committee. Only independent directors on the Audit Committee shall approve such transactions. Any other modifications should also be approved by the Audit Committee.

2. Prior approval of the Audit Committee is required in instances such as:

a. Related Party Transactions to which a subsidiary of the Company is a party, but the Company is not, where the value exceeds 10% of the subsidiary's annual standalone turnover (based on last audited financials).

Prior approval of the listed entity's audit committee shall not be required if the related party transaction concerns a listed subsidiary and regulations 23 and 15(2) apply to that subsidiary.

3. No Audit Committee approval is required for:

- a) Transactions between two wholly-owned subsidiaries of the Company, whose accounts are consolidated and placed before shareholders;
- b) Transactions between a holding company and its wholly-owned subsidiary with consolidated accounts placed before shareholders;
- c) Payment of remuneration and sitting fees by the Company or its subsidiaries to directors, KMP, or senior management not part of promoters/promoter group, provided the transaction is not material;
- d) Transactions involving payment of statutory dues, fees, or charges to the Government or its entities.

4. The Audit Committee may grant omnibus approvals subject to Rule 6A of Companies (Meetings of the Board and its Powers) Rules, 2014, and Regulation 23 of SEBI (LODR) Regulation.

II. Board of Directors

5. Transactions covered under Section 188(1) of the Act, 2013, which are not in the ordinary course of business or not on arm's length basis, require prior approval of the Board in addition to the Audit Committee.

6. If the Audit Committee decides a transaction should be reviewed by the Board, or if the Board elects to review it, or if law mandates it, the Board shall consider the matter as per the procedures.

7. Interested Directors shall abstain from discussions and voting on such transactions.

8. If approval of shareholders is required, the Board shall ensure the transaction is put before the shareholders for approval.

III. Shareholders

9. All Material Related Party Transactions under SEBI (LODR) Regulation and the Act, 2013 (whether or not in the ordinary course of business or on arm's length basis), and material modifications thereto, require prior approval of shareholders through an ordinary resolution. No related party shall vote on such transactions, whether or not they are related to that particular transaction.

Exceptions: Shareholder approval is not required if the transaction is:

(a) entered into with or between wholly owned subsidiaries consolidated with the Company; or

(b) between a holding company and its wholly owned subsidiary with consolidated accounts placed before shareholders.

The Company shall provide information as per SEBI Circular dated 22nd November 2021, and any other information specified by SEBI or MCA, to the Audit Committee and shareholders when seeking approval for RPTs.

C. Procedures for review and approval of Related Party Transactions by the Audit Committee

- (a) Any member of the Audit Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.
- (b) Only those members of the Audit Committee, who are independent directors, shall vote to approve a Related Party Transaction.
- (c) To facilitate review of each Related Party Transaction for granting approval (whether specific or omnibus), the Audit Committee will be provided with all relevant information of the Related Party Transaction, including the purpose, terms and details of the transaction, the benefits, rights and obligations of the Company and the Related Party, and any other relevant information *inter-alia* the disclosures as required to be given as per the SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2021/662, dated November 22, 2021.
- (d) The Audit Committee will consider the following factors, among others, to the extent relevant to the appropriate Related Party Transaction:
- i. Whether the terms of the Related Party Transaction are fair and on arms-length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party?
 - ii. Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any?
 - iii. Whether the Related Party Transaction would affect the independence of any Independent Director?

- iv. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of, or in connection, with the proposed transaction?
 - v. Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company?
 - vi. What is the purpose of, and the potential benefits to the Company from the Related Party Transaction?
 - vii. What is the approximate amount of the Related Party's interest in the transaction without regard to the amount of any profit or loss? and
 - viii. Whether the Related Party Transaction would present an improper conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the benefits arising therefrom to the Company or Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deem relevant?
- (e) Where Related Party transactions have been entered into prior to such transactions being placed before the Audit Committee, reasoned explanation for the same must be received from the contracting employees to the satisfaction of the Audit Committee. The Audit Committee may ratify such transactions or may put forth the transactions before the Board along with its recommendations and the Board may either ratify such transactions or seek to avoid the same. Provided however that ratification by the Audit Committee shall be subject to the following conditions:
- i. Only those members of the Audit Committee, who are independent directors, can ratify Related Party Transactions
 - ii. The Related Party Transactions are to be ratified in the immediate next Audit Committee meeting, subject to a maximum period of three months from the date of transaction, whichever is earlier.
 - iii. 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.**
 - iv. The transaction is not a Material Related Party Transaction under LODR Regulations.
 - v. The rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification.
 - vi. The details of ratification shall be disclosed along with the disclosures of Related Party Transactions in terms of the provisions of regulation 23(9) of the LODR Regulations.
 - vii. any other condition as specified by the audit committee:

(f) Related Party Transactions that are not in an ordinary course of business but on an

arm's length basis cannot be entered into by the Company unless approved by the Audit Committee. Where such transactions fall under Section 188 (1), the Audit Committee shall recommend the transaction for approval of the Board.

(g) Related Party Transactions that are not on arm's length basis, irrespective Whether the transactions are covered under Section 188 or not, shall not be approved by the Audit Committee and shall be recommended to the Board for appropriate action.

(h) The Audit Committee shall mandatorily review the statement of all Related Party Transactions submitted by management, at least on a quarterly basis.

(i) The Audit Committee will undertake an evaluation of the Related Party Transaction. If that evaluation indicates that the Related Party Transaction would require the approval of the Board, or if the Board in any case elects to review any such matter, the Audit Committee will report the Related Party Transaction, together with a summary of material facts, to the Board for its approval.

D. Omnibus Approval by the Audit Committee

a) For the ease of carrying out transactions/ contracts/ arrangements, the Audit Committee may grant omnibus approvals for the Related Party Transactions proposed to be entered into by the listed entity or its subsidiary(ies), at the last meeting every preceding financial year and such approvals shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

b) Where the need/ purpose of the transactions to be entered into with Related Parties cannot be foreseen and details related to name of the party, nature of transaction, maximum amount of transaction, indicative base price / current contracted price and the formula for variation in the price and such other parameters as may be laid down by the Audit Committee, are not available at the time of taking such approval, the omnibus approval for such transactions shall be granted subject to their value not exceeding Rs.1 crore per transaction (**Immaterial Transactions**), which shall be approved in accordance with the procedures mentioned in this Policy..

c) Transactions not included in sub-clause (b) above, may be granted omnibus approval by the Audit Committee subject to the criteria specified hereunder.

d) Omnibus approvals shall be granted based on the following:

i. Frequency of the transactions in the last [3] years;

ii. Volumes of transactions undertaken with such Related Party. The maximum value of the transactions, per transaction or in aggregate, per related party, shall not exceed the lower of the following –

a. the threshold limit as provided under Para 8 of the Policy i.e. for Material Related Party Transactions under LODR; or

- b. the threshold limit as provided under Para 9 of the Policy i.e. for Material Related Party Transactions under the Act, 2013.
- iii. Disclosure of the following matters to the Audit Committee at the time of seeking omnibus approval in a manner so as to enable effective decision making:
 - a. Projected growth rate in the business with the Related Party in the financial year for which omnibus approval is sought.
 - b. Contractual terms offered by third parties for similar transactions
 - c. Adherence to any conditions on the contractual terms with such Related Parties for instance floor and cap on the pricing, credit terms, escalation in costs, quality checks etc.
 - d. Information as provided to Audit Committee under clause (d) of Part C of this Policy, as far as possible.
- iv. Such omnibus approval shall specify the following:
 - a. the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
 - b. the indicative base price or current contracted price and the formula for variation in the price, if any;
 - c. such other conditions as the Audit Committee may deem fit;
 Provided that where the need for Related Party Transaction cannot be foreseen and the aforesaid details are not available, the Audit Committee may grant omnibus approval for Immaterial Transactions as defined above. Further, such transactions shall be reported to the Audit Committee quarterly.
- v. Where the Audit Committee is not convinced of the need for granting omnibus approvals, the Audit Committee may reject the proposal placed before it with reasonable explanation for the same.
- vi. Notwithstanding the generality of foregoing, the Audit Committee shall not grant omnibus approval for following transactions:
 - a. Transactions which are not in ordinary course of business or not on arm's length basis;
 - b. Transactions in respect of selling or disposing of the undertaking of the Company;
 - c. Transactions which are not in the interest of the Company.
 - d. Such other transactions are specified under Applicable Law from time to time.
- e) Where the Audit Committee has granted omnibus approval for certain transactions, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given shall be reviewed by the Audit Committee on a quarterly basis.

- f) Exceptions allowed under Applicable Laws to Related Party Transactions shall be exempted from the scope of this policy unless the Audit Committee decides otherwise.

E. Review and approval of Related Party Transactions by the Board of Directors

- a. If the Audit Committee determines that a Related Party Transaction should be brought before the Board, whether in view of internal pre-determined threshold or otherwise or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.
- b. Transactions covered under Section 188 of the Act 2013 that are proposed to be undertaken not in an ordinary course of business or not on an arm's length basis, shall require prior approval of the Board. Where prior approval is not obtained, the same shall be ratified within 3 months from the date on which such contract or arrangement was entered into.
- c. The Directors interested shall abstain from participating in the discussion and shall not be present during discussion.
- d. If the Related Party Transaction needs to be approved at a general meeting of the shareholders by way of a resolution, the Board shall ensure that the same is put up for approval by the shareholders of the Company.
- e. Every Related Part Transactions u/s 188 (1) of the Companies Act, 2013 shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement

F. Approval of Material Related Party Transactions by Shareholders

- a. All Material Related Party Transactions under the Act, 2013 or SEBI LODR, and any subsequent material modifications thereto, shall require prior approval of shareholders through ordinary resolution and all the entities falling under the definition of Related Party, irrespective of whether the entity is a party to the particular transaction or not, shall abstain from voting on the relevant transaction.
- b. The explanatory statement to be annexed to the notice of a general meeting convened pursuant to section 101 of Act, 2013 shall contain all the relevant information and disclosure including *inter-alia* the following particulars, namely: -
 - i. A summary of the information provided by the management of the Company to the Audit Committee as specified in clause (d) of Part C of this Policy.
 - ii. Justification for why the proposed transaction is in the interest of the Company.
 - iii. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details specified below –
 - a. details of the source of funds in connection with the proposed transaction.

- b. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments –
 - nature of indebtedness.
 - cost of funds; and
 - tenure.
 - c. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
 - d. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the Related Party Transaction
- iv. A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.
- v. Percentage of the counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.
- vi. Any other information that may be relevant.
- c. Where obtaining prior approval is not possible, the transactions shall be subject to ratification within three months from the date on which such a contract or arrangement was entered into.

G. Standards for Review

- A Related Party Transaction reviewed under this Policy will be considered approved or ratified if it is authorized by the Audit Committee / Board, as applicable, in accordance with the standards set forth in this Policy after full disclosure of the Related Party's interests in the transaction.
- The Audit Committee / Board will review all relevant information available to it about the Related Party Transaction. The Audit Committee / Board, as applicable, may approve / ratify / recommend to the shareholders, the Related Party Transaction only if the Audit Committee / Board, as applicable, determines in good faith that, under all of the circumstances, the transaction is fair as to the Company. The Audit Committee / Board, in its sole discretion, may impose such conditions as whether it deems appropriate on the Company or the Related Party in connection with approval of the Related Party Transaction.

H. Ratification of Related Party Transactions not approved under this Policy

- If prior approval of the Audit Committee / Board / Shareholders for entering into a Related Party Transaction is not feasible, then the Related Party Transaction shall be ratified by the Audit Committee and the Board /Shareholders, if required, or within 3 months of entering into the Related Party Transaction, whichever is earlier.
- In any case where either the Audit Committee /Board / Shareholders determine not to ratify a Related Party Transaction that has been commenced without approval, the

Audit Committee or Board or the Shareholders, as appropriate and applicable, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction, or modification of the transaction to make it acceptable for ratification. In connection with any review of a Related Party Transaction, the Audit Committee / Board has authority to modify or waive any procedural requirements of this Policy.

- The ratification by the Audit Committee shall be subject to the following conditions:
 - a. Only the members of the Audit Committee, who are independent directors, may ratify related party transactions.
 - b. Ratification shall be made within three months from the date of the transaction or in the immediate next meeting of the Audit Committee, whichever is earlier.
 - c. 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 Rs. 1 crore.
 - d. The said transaction does not fall under the category of Material Related Party Transactions under this Policy.
 - e. Rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification.
 - f. The details of ratification shall be disclosed along with the disclosures of related party transactions to the stock exchange(s) in the format as specified by SEBI from time to time and publish the same on the website of the Company.
- In cases where a transaction is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into or such other time period as may be allowed under Applicable Laws,, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.
- In case the transaction could not be ratified within the timelines as above, or where the amount involved in the transaction exceeds the limits as above, the Audit Committee, having regard to the factors due to which the transaction could not be ratified, may take such action as considered appropriate, including adoption, revision or termination of such Related Party Transaction.
- No director or Key Managerial Personnel shall participate in any discussion or approval of a Related Party Transaction for which he or she is a Related Party, except that the director / Key Managerial Personnel shall provide all material information concerning the Related Party Transaction to the Audit Committee / Board.
- If a Related Party Transaction is ongoing, the Board / Audit Committee may establish guidelines for the Company's management to follow in its ongoing dealings with the Related Party. Thereafter, the Board, on at least an annual basis, shall review and assess on-going relationships with the Related Party to ensure that they are in compliance with the Act and rules made thereunder, SEBI LODR and this Policy and that the Related Party Transaction remains appropriate.

- Nothing in this Policy shall override any provisions of the law made in respect of any matter stated in this Policy.

I. Determination of Ordinary Course of Business

- a) A transaction shall be deemed to be “in the Ordinary Course of Business” of the Company, if:

- I. Any of the following conditions are met:
 - i. The transaction, including, but not limited to sale or purchase of goods or property, or acquiring or providing of services, conveying or accepting leases, transfer of any resources, hiring of any executives or other staff, providing or availing of any guarantees or collaterals, or receiving or providing any financial assistance, or issue, transfer, acquisition of any securities, is in the normal routine of the Company’s business; or
 - ii. The transaction is in the nature of reimbursements, received or provided, from or to any related party, whether with or without any mark-up towards overheads, and is considered to be congenial for collective procurement or use of any facilities, resources, assets or services and subsequent allocation of the costs or revenues thereof to such a related party in an appropriate manner.

AND

- II. The transaction is not-
 - i. an exceptional or extra ordinary activity as per applicable accounting standards or financial reporting requirements.
 - ii. Any sale or disposal or any undertaking of the Company, as defined in explanation (i) to clause (a) of sub-section (1) of section 180 of Companies Act, 2013.

- b) In order to decide whether or not a contract or arrangement is being entered by the Company is in its ordinary course, the Company shall consider whether such contract/ arrangement is germane to attainment of the main objects as set out in its Memorandum of Association.
- c) The Company may also consider whether the transaction contemplated under the proposed contract or arrangement is either similar to contracts or arrangements which have been undertaken in the past, or, in the event that such a transaction is being undertaken for the first time, whether the Company intends to carry out similar transactions in the future.

These are not exhaustive criteria, and the Audit Committee may assess transactions, considering their specific nature and circumstances.

D. Criteria for determination of Arms’ length nature of the Related Party Transaction

The following illustrative tests may be used by the Audit Committee for ascertaining the

arm's length nature of contracts / arrangements that may be entered into by the Company with related parties, or any modification, variation, extension or termination thereof: -

- a) The contracts/ arrangements that are entered into with Related Parties are at such prices/ discounts/ premiums and on such terms which are offered to unrelated parties of a similar category/ profile.
- b) The contracts/ arrangements have been commercially negotiated.
- c) The pricing is arrived at as per the rule/guidelines that may be issued by or acceptable for the purpose of Ministry of Corporate Affairs, Government of India/ Income Tax Act, 1961, Securities and Exchange Board of India as applicable to any of the contract/ arrangements contemplated under the Act, 2013, Rules framed thereunder or SEBI LODR.
The terms of contract/arrangement other than pricing are generally on a basis similar to those as may be applicable for a similar category of goods and services or similar category/profile of counterparties.
- d) Further, in order to determine the optimum arm's length price, the Corporation may also apply the most appropriate method from any of the following methods as prescribed under Section 92C (1) of the Income Tax Act, 1961 read with Rule 10B of the Income Tax Rules, 1962 –
 - i. Comparable Uncontrolled Price method (CUP method)
 - ii. Resale Price Method
 - iii. Cost Plus Method
 - iv. Profit Split Method
 - v. Transactional Net Margin Method
 - vi. Another Method as prescribed by the Central Board of Direct Taxes.
- e) The Audit Committee shall be entitled to rely on professional opinion or representation from the counterparty in this regard.
- f) Such other criteria may be issued under Applicable Law.

E. Disclosures

- a) The Company shall provide all the disclosures with respect to Related Party Transactions as may be required under Applicable Laws.
- b) The Company shall submit to the stock exchanges on the date of publication of its financial results for the half year, disclosures of Related Party Transactions, on a half-yearly basis, in the format specified by the Securities and Exchange Board of India ("SEBI") from time to time and publish the same on its website.
- c) Annual affirmations shall be provided in the format prescribed under SEBI LODR to be submitted by the listed entity at the end of financial year (for the whole of financial year).

- d) The Company shall disclose this Policy on its website and also provide web links to the same in the Annual Report of the Company.
- e) The Company shall disclose the necessary details in the Annual Report as per Para A of Schedule V of the SEBI LODR.
- f) Disclosures in respect of Related Party Transactions, Material Related Party Transaction, agreements, arrangements, contracts and Policy will be made in accordance with the Applicable Law (as amended from time to time) to the stock exchanges and publish the same on its website.
- g) The Company shall keep one or more registers as specified under Applicable Law giving the particulars of all contracts or arrangements with any Related Party.

F. Policy Review

This Policy may be amended, modified, or supplemented from time to time to ensure continued compliance with any changes to the SEBI (Listing Obligations and Disclosure Requirements) Regulations or as may otherwise be prescribed by the Audit Committee or the Board. The Policy shall be mandatorily reviewed by the Board of Directors at least once every three years and updated accordingly.

**By order of the Board
For Greenpanel Industries Limited**

Date: 22.05.2025

Place: Gurgaon

**Shiv Prakash Mittal
Executive Director
DIN: 00237242**