MT AUTOCRAFT	CORPORATE POLICIES	Policy. No: MTA/CORP/SPL-08 Effective Date: 29-08-2025 Revision no.-00 Pages : 1-3

POLICY NAME: RELATED PARTY TRANSACTIONS

OBJECTIVE: This Policy on Related Party Transactions ("Policy") is formulated in accordance with the provisions of the **Companies Act, 2013** and the **Companies (Meetings of Board and its Powers) Rules, 2014**, to ensure proper approval and reporting of transactions between the Company and its Related Parties.

The objective of this Policy is to set out the framework for dealing with Related Party Transactions in compliance with the applicable legal and regulatory requirements and to ensure transparency, fairness, and accountability in such dealings.

LEGAL FRAMEWORK: This Policy has been framed pursuant to the following provisions of the Companies Act, 2013:

- **Section 2(76)** – Definition of "Related Party."
- **Section 177** – Audit Committee's powers and role (if applicable).
- **Section 188** – Related Party Transactions requiring Board and/or shareholders' approval.
- **Rule 15 & Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014.**

DEFINITION OF RELATED PARTY: A "Related Party" is defined as per **Section 2(76)** of the Companies Act, 2013 and includes:

- Directors and Key Managerial Personnel (KMP) of the Company or their relatives.
- Firms, private companies, or public companies in which Directors, KMPs, or their relatives are interested.
- Any other person or entity as may be defined under the Act or prescribed by law.

DEFINITION OF RELATED PARTY TRANSACTION (RPT): A Related Party Transaction means any transaction between the Company and a Related Party which involves:

- Sale, purchase, or supply of goods or materials;
- Selling or otherwise disposing of, or buying, property of any kind;
- Leasing of property;
- Availing or rendering of any services;
- Appointment of any agent;
- Related party's appointment to any office or place of profit in the Company, its subsidiary, or associate company;
- Underwriting the subscription of any securities of the Company;
- Or any other transactions as may be prescribed under Section 188 or subsequent amendments.

IDENTIFICATION OF RELATED PARTIES: The Company Secretary shall maintain and update a **register of Related Parties** based on disclosures received from Directors and KMPs in **Form MBP-1**. Directors and KMPs shall promptly inform the Company of any changes in their interests to ensure timely updates.

	Prepared By	**Approved By**	**Approved By**
Name	Shanky Handa	Mr. Anil Sehgal	Mr. Karan Sehgal
Designation	Company Secretary	Whole Time Director	Managing Director
Sign/ Date	Shanky	MT Autocraft Systems Limited Director	MT Autocraft Systems Limited Director

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APPROVAL PROCESS

A. Audit Committee Approval (if applicable): If the Company has an Audit Committee, all Related Party Transactions shall be placed before it for prior approval.

B. Board Approval: All Related Party Transactions, whether in the ordinary course of business or not, shall be placed before the **Board of Directors** for its approval, along with all material details such as nature, value, terms, and the arm's length justification.

C. Shareholders' Approval: Transactions not in the ordinary course of business **or** not on an arm's length basis, and exceeding the prescribed thresholds under **Rule 15(3)** of the Companies (Meetings of Board and its Powers) Rules, 2014, shall require **prior approval of the shareholders** by way of an **ordinary resolution.** Interested members shall **not vote** on such resolutions.

ARM'S LENGTH TRANSACTIONS: A transaction is considered to be on an "arm's length basis" if it is conducted as if the parties were unrelated, so that there is no conflict of interest. The Company shall maintain supporting documentation to evidence arm's length pricing.

OMNIBUS APPROVAL: In case the Company has an Audit Committee, omnibus approval may be granted for repetitive Related Party Transactions subject to compliance with the conditions prescribed under Rule 6A in the First Audit Committee meeting every year.

CERTIFICATION BY CFO OF THE COMPANY: All RPT's entered and placed for review of the Audit Committee shall be prior certified by the CFO or Finance Head, if there is no CFO.

CONFIRMATION BY INTERNAL AUDITOR: Internal Auditor shall review the RPT's and give confirmation that there are no related party transactions to be reported other than as reported to the Audit Committee in its meeting.

DISCLOSURE REQUIREMENTS: All Related Party Transactions shall be disclosed in the **Board's Report** as required under Section 134(3)(h) and Rule 8(2) of the Companies (Accounts) Rules, 2014.

- The Register of Contracts or Arrangements in which Directors are interested shall be maintained in **Form MBP-4** and placed before the Board at every meeting.

REVIEW AND AMENDMENT: This Policy shall be reviewed by the Board periodically and amended as and when necessary to comply with changes in applicable laws and regulations.

COMMUNICATION AND DISCLOSURE: Adoption of this policy shall be disclosed on the website of the Company i.e. https://mtautocraft.com/

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	Prepared By	Approved By	Approved By
Name	Shanky Handa	Mr. Anil Sehgal	Mr. Karan Sehgal
Designation	Company Secretary	Whole Time Director	Managing Director
Sign/ Date	Shanky	MT Autocraft Systems Limited Director	MT Autocraft Systems Limited Director