

**MAHARASHTRA SCOOTERS LIMITED**

**POLICY ON MATERIALITY OF & DEALING WITH RELATED  
PARTY TRANSACTIONS**

<b>Prepared by</b>	<b>Secretarial Team</b>
<b>Approved by</b>	<b>Board of Directors on 13 October 2014</b>
<b>Approved by</b>	<b>Board of Directors on 11 March 2022</b>
<b>Reviewed and Approved by</b>	<b>Board of Directors on 19 March 2025</b>
<b>Approved by</b>	<b>Board of Directors on 12 January 2026</b>

## **Maharashtra Scooters Limited**

### **Policy on Materiality of & Dealing with Related Party Transactions**

#### **Background/Objective:**

The Company has adopted a Policy on Related Party Transactions and Materiality ('Policy') with regard to Related Party Transactions ('RPT'), in line with the requirements of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and is intended to ensure that the dealings in Related Party Transactions meet proper approval and reporting norms as required under the applicable laws.

#### **Policy:**

##### **A. Review and approval of Related Party Transactions must be dealt with in accordance with this Policy.**

The terms 'Related Party', 'Related Party Transactions', 'Relative', 'Material RPTs', 'Arms' length transaction', 'Omnibus Approval' & such other terms will carry the meaning as stated under the Companies Act, 2013, SEBI Listing Regulations as amended from time to time

##### **B. Identification of Related Party and Related Party Transactions:**

Directors and the Key Managerial Personnel ("KMP") shall be responsible to inform the Company Secretary and/or Secretarial Department on appointment and then immediately as and when any change occurs in relationships with related party as defined under Section 2(76) of the Companies Act 2013, SEBI Listing Regulations and Accounting Standards as applicable viz. relatives, directorships, holdings, interests and/or controls etc.

The Company Secretary shall maintain a database of Related Parties which shall be updated on a timely basis and would be communicated to the functional departments.

##### **C. Material Modification:**

Material modification will mean & include any modification to an existing RPT having variance of 50% of the existing limit, as sanctioned by the Audit Committee/ Shareholders, as the case may be.

##### **D. Material Related Party Transaction:**

a. Under the SEBI Listing Regulations:

A transaction shall be considered material if the transaction(s), individually or taken together with previous transactions during a financial year, exceed the thresholds specified under annexure 1 of this policy.

b. Under the Companies Act 2013 (Act):

Transactions as provided in Section 188 of the Act entered into with a related party as defined under Section 2(76) of the Act that is not in the ordinary course of business or not at an arm's length basis and exceeds the threshold as specified in Rule 15 of Companies (Meetings of the Board and its Powers) Rules, 2015.

**E. Approval Matrix for related party transaction:**

<b>Approving authority Type of Transactions</b>	<b>Approving authority Type of Transactions</b>
<p>Audit Committee (Only those members of the Audit Committee, who are independent directors, shall approve Related Party Transactions).</p>	<ul style="list-style-type: none"> <li>• All Related Party Transactions and subsequent Material Modifications shall require prior approval of the Audit Committee of the Company.</li> <li>• All related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party, but the Company is not a party, shall require prior approval of the audit committee of the Company if the value of such transaction exceeds the lower of the following:               <ul style="list-style-type: none"> <li>(i) ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or</li> <li>(ii) the threshold for material related party transactions of the Company as specified in Annexure 1 of this policy.</li> </ul> </li> <li>• In the event of a related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the Company shall be obtained if the value of such transaction exceeds the lower of the following:</li> </ul>

	<p>(i) ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or</p> <p>(ii) the threshold for material related party transactions of the Company as specified in Annexure 1 of this policy.</p>
Board	<ul style="list-style-type: none"> <li>• Related Party Transactions referred by the Audit Committee for approval</li> <li>• Related Party Transactions not in ordinary course of business or not on arm's length basis</li> </ul>
Shareholders (all the shareholders of the Company who are related parties cannot vote to approve the transaction)	<ul style="list-style-type: none"> <li>• Material Related Party Transactions</li> <li>• Subsequent material modifications to the approved related party transactions</li> <li>• Related Party Transactions not in ordinary course of business or not on arm's length basis and exceed the threshold as specified in Rule 15 of Companies (Meetings of the Board and its Powers) Rules, 2015.</li> </ul>

Notes:

1. The Company shall place all information, as prescribed under the Companies Act, 2013, SEBI Listing Regulations, including the information pursuant to the RPT Industry Standards and circulars issued by SEBI from time to time, before the Audit Committee and Shareholders, as applicable, for their approval/ ratification.
2. The Audit Committee or the Board shall after consider the information placed before them satisfy themselves that the transaction is in the ordinary course of business and meets the arm's length requirements.
3. The exemptions, if any, as prescribed under SEBI Listing Regulations, Companies Act or any other applicable law may not require approval as per the above matrix.

**F. Omnibus Approval For Related Party Transactions:**

Audit Committee:

- The Audit Committee may grant omnibus approval in accordance with the provisions of Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 (3) of the SEBI Listing Regulations for Related Party Transactions proposed to be undertaken by the Company or its subsidiary(ies) that requires approval under this Policy, which are of repetitive/regular nature proposed to be entered into.
- The Audit Committee would review on a quarterly basis the details of such Related Party Transactions entered into pursuant to each of the omnibus approval given.
- The approval will remain valid for a period of one financial year.
- 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.

#### Shareholders:

- The omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Companies Act, 2013 or rules, notifications, or circulars issued thereunder from time to time.
- In case of omnibus approvals for material related party transactions, granted by shareholders in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date

#### **G. Related Party Transactions Not Approved Under This Policy:**

- In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the Company would obtain post facto approval from the Audit Committee, the Board and/or shareholders of the Company as required under applicable laws.
- The ratification of Related Party Transactions by the Audit Committee shall be subject to the adherence of 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 ratified transactions with a Related Party, whether entered into individually or taken together with other ratified transactions, shall not exceed rupees one crore during a financial year.
  - iv. The transaction shall not be a Material Related Party Transaction under SEBI Listing Regulations.
  - v. The rationale for inability to seek prior approval for the Related Party Transaction shall be placed before the Audit Committee while seeking ratification.
  - vi. Ratification details to be disclosed along with the disclosures of related party transactions in terms of the provisions 23 of sub-regulation (9) of SEBI Listing Regulations in half- yearly RPT disclosures.
- 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 listed entity against any loss incurred by it.

- The Audit Committee, while considering the transaction for ratification, shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, including the factors due to which the transaction could not be approved, the impact of such transaction on the Company, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. In any case, where the Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

#### **H. Policy Review:**

This Policy is framed based on the provisions of the SEBI Listing Regulations, the Companies Act, 2013 and rules thereunder and other applicable laws. In case of any subsequent changes in the provisions of the SEBI Listing Regulations or the Companies Act, 2013 and rules thereunder or other applicable laws, the relevant amended provisions would prevail over this Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed by the Board as and when any changes are to be incorporated in the Policy due to change in applicable laws or at least once in every three years and updated accordingly.

**Place: Pune**  
**Date: 12 January 2026**

**CHAIRMAN**

## Annexure 1

- A. 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 exceeds the following:

Consolidated Turnover of Listed Entity Threshold	Threshold
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	Rs.2,000 Crore + 5% of the annual consolidated turnover of the listed entity above Rs. 20,000 Crore
(III) More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above Rs. 40,000 Crore or Rs. 5000 Crore, whichever is lower.

Explanation: For the purpose of computing the thresholds stated above, the annual consolidated turnover of the listed entity shall be determined based on the last audited financial statements of the listed entity.

The Company currently falls under category (I) of the above table.

- B. 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 listed entity as per the last audited financial statements of the Company.