



**MAHARASHTRA SCOOTERS LTD.**

CIN -L35912MH1975PLC018376  
Regd. Office: C/o Bajaj Auto Limited,  
Mumbai- Pune Road, Akurdi, Pune 411 035 ( India)  
Phone: 020 71576066 | Fax: 020 71576364  
Website: www.mahascooters.com

**MAHARASHTRA SCOOTERS LIMITED**

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

<b>Prepared by</b>	<b>Shri Sriram Subbramaniam</b>
<b>Approved by</b>	<b>Board of Directors on 11 March 2022</b>
<b>Reviewed by</b>	<b>Board of Directors on 15 March 2023</b>



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

### **Background:**

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Board of Directors of Maharashtra Scooters Ltd. (the Company) at its meeting held on 13 October 2014 had approved a Policy on Materiality of & dealing with related party transactions. Pursuant to SEBI circular dated 9 May 2018, which notified certain amendments effective from 1 April 2019, the Policy was revised by the Board at its meeting held on 15 May 2019.

SEBI, vide circular dated 9 November 2021, has notified further amendments necessitating changes to be made in the policy, which will be effective from 1 April 2022, unless stated otherwise.

### **Policy:**

In supersession of the existing Policy, the Policy on Materiality of & dealing with Related Party Transactions, which is to be read together with Regulation 23 of the said Regulations and relevant provisions of the Companies Act, 2013 is accordingly being revised as under:

1. 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 or SEBI Listing Regulations as amended from time to time.
2. Related Party Transactions (RPTs), including subsequent material modifications thereof of the company covered under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations will be approved by the audit committee of the Board from time to time, subject to such exceptions as are provided therein.

For the above purpose, 'material modifications' as defined by the Audit Committee would refer to the following:

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 or Shareholders, as the case may be.

Provided further that:



- a related party transaction 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 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 company;
  - With effect from April 1, 2023, a related party transaction to which the subsidiary of a listed entity is a party, but the listed entity is not a party, shall require prior approval of the audit committee of the listed 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
3. Prior consent of the Board and the Shareholders would be taken in respect of all RPTs, including material modifications thereof, except in the following cases:
- (i) Where the transactions are below the threshold limits specified in the Companies Act, 2013 & Rules thereunder or the SEBI Listing Regulations, as may be applicable; or
  - (ii) Where the transactions are entered into by the company in its ordinary course of business and are on arms' length basis; or
  - (iii) Payments made with respect to brand usage or royalty where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, do not exceed five percent of the annual consolidated turnover as per the last audited financial statements of the company;
  - (iv) Where the transactions to be entered into individually or taken together with previous transactions during a financial year do not exceed Rs. 1000 crore or ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company, whichever is lower;
  - (v) Transactions entered into between the company & any of its wholly owned subsidiary whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval;
  - (vi) transactions entered into between two wholly-owned subsidiaries of the company, whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval.



# MAHARASHTRA SCOOTERS LTD.

CIN -L35912MH1975PLC018376  
Regd. Office: C/o Bajaj Auto Limited,  
Mumbai- Pune Road, Akurdi, Pune 411 035 ( India)  
Phone: 020 71576066 | Fax: 020 71576364  
Website: www.mahascooters.com

4. Notwithstanding the above, approval of the Board & shareholders would be necessary, where the RPTs exceed the following threshold limits :

Description	Threshold limits
Sale, purchase or supply of any goods or materials.	Rs. 1000 crore or 10% of the annual consolidated turnover as per the last audited financial statements, whichever is less.
Selling or otherwise disposing of or buying of any property including by way of lease and license arrangement.	
Availing or rendering of any services.	
Other matters	

The above policy is subject to review from time to time and at least once in every three years.

Chairman

Pune  
15 March 2023