POLICY NO:8

RELATED PARTY TRANSACTIONS POLICY

Version:	1.0
Review Frequency:	Annual
Policy Owner:	Company Secretary / Compliance Officer

1. PREAMBLE

The Company recognizes that Related Party Transactions ("RPTs") can present potential or actual conflicts of interest. Accordingly, this Policy is formulated to ensure that all Related Party Transactions are undertaken in a transparent manner, are in the ordinary course of business, conducted on an arm's length basis wherever applicable, and comply with the provisions of the Companies Act, 2013 and other applicable laws.

2. OBJECTIVE

The objectives of this Policy are:

- To regulate transactions between the Company and its Related Parties.
- To ensure compliance with Section 188 and other relevant provisions of the Companies Act, 2013.
- To establish a framework for identification, approval, review and reporting of Related Party Transactions.
- To prevent conflicts of interest and promote good corporate governance.

3. APPLICABILITY

This Policy shall apply to all Related Party Transactions entered into by the Company with:

- Directors;
- Key Managerial Personnel (KMP);
- Relatives of Directors and KMP;
- Holding Company;
- Subsidiary Company;
- Associate Company;
- Firms, LLPs, Companies and other entities specified under Section 2(76) of the Companies Act, 2013.

4. DEFINITIONS

4.1 Related Party

"Related Party" shall have the meaning assigned under Section 2(76) of the Companies Act, 2013 and any statutory modification thereof.

4.2 Related Party Transaction
A transaction specified under Section 188 of the Companies Act, 2013 including:

- Sale, purchase or supply of goods or materials;
- Selling or otherwise disposing of property;
- Leasing of property;
- Availing or rendering of services;
- Appointment of agent for purchase or sale of goods, materials, services or property;
- Appointment to an office or place of profit;
- Underwriting subscription of securities.

4.3 Arm's Length Transaction
A transaction between two related parties conducted as if they were unrelated parties, so that there is no conflict of interest.

4.4 Ordinary Course of Business
Transactions that are normal, routine, usual and incidental to the business activities of the Company.

5. POLICY
The Company may enter into Related Party Transactions provided that:

- Such transactions are in the best interests of the Company.
- The terms are fair and reasonable.
- Appropriate approvals are obtained before entering into the transaction.
- Required disclosures are made in accordance with applicable laws.

6. IDENTIFICATION OF RELATED PARTIES
The Company Secretary shall maintain an updated Register of Related Parties based on disclosures received from:

- Directors;
- Key Managerial Personnel;
- Senior Management Personnel (where applicable).

Directors and KMPs shall promptly notify any changes in their related party relationships.

7. APPROVAL OF RELATED PARTY TRANSACTIONS

7.1 Board Approval
All Related Party Transactions covered under Section 188 of the Companies Act, 2013 shall require prior approval of the Board of Directors.

Interested Directors shall disclose their interest and abstain from participation in discussions and voting on the relevant agenda item.

7.2 Shareholders' Approval

Where the transaction exceeds the thresholds prescribed under the Companies Act, 2013 and the applicable Rules, prior approval of the Shareholders by Ordinary Resolution shall be obtained. Related Parties shall not vote on such resolutions where restricted under applicable law.

7.3 Transactions in Ordinary Course of Business

Transactions entered into:

- In the ordinary course of business; and
- On an arm's length basis,

shall not require approval under Section 188, except to the extent otherwise required by law.

8. REVIEW CRITERIA

While reviewing a Related Party Transaction, the Board shall consider:

- Business rationale for the transaction;
- Commercial benefits to the Company;
- Arm's length nature of the transaction;
- Pricing and terms;
- Potential conflicts of interest;
- Availability of alternative third-party arrangements;
- Impact on minority shareholders and stakeholders.

9. ONGOING MONITORING

The Company Secretary shall periodically place before the Board:

- Details of Related Party Transactions undertaken during the financial year;
- Compliance status under the Companies Act, 2013;
- Any material modifications in approved transactions.

10. DISCLOSURES

The Company shall make necessary disclosures regarding Related Party Transactions in:

- Board's Report;
- Financial Statements;
- Register of Contracts and Arrangements maintained under Section 189 of the Companies Act, 2013;
- Other statutory records as applicable.

11. REGISTER OF RELATED PARTY TRANSACTIONS

The Company shall maintain:

- Register MBP-4 under Section 189;
- Disclosure of Interest in Form MBP-1 from Directors;
- Any other records required under applicable law.

Such records shall be maintained at the Registered Office of the Company.

12. NON-COMPLIANCE

Any Related Party Transaction entered into without obtaining the necessary approvals shall be reviewed by the Board.

The Board may:

- Ratify the transaction;
- Modify the terms of the transaction;
- Recommend discontinuation of the transaction; or
- Take appropriate corrective actions as deemed necessary.

13. AMENDMENT

The Board may amend this Policy from time to time to ensure compliance with amendments in applicable laws and business requirements.

14. REVIEW OF POLICY

This Policy shall be reviewed at least annually by the Board of Directors.

15. EFFECTIVE DATE

This Policy shall come into force from 03rd September,2026 upon approval by the Board of Directors of **Shivtek Spechemi Indudtries Ltd**.