

Nitiraj Engineers Limited

The Audit Committee of the Board of Directors of the Company (the “Board”) is required by Section 177(4) of the Companies Act, 2014 (Act) and Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time, to approve all transactions of the Company with related parties (“RPT’s”).

The Policy on dealing with RPT’s is formulated in compliance with Listing Regulations and extant provisions Act and Rules made thereunder.

OBJECTIVE OF THE POLICY

The Policy is intended to ensure timely identification of an RPT, its salient terms and conditions, detail the approval process, outline the disclosure and reporting requirements thereof and to ensure transparency in the conduct of RPT’s, so that there is no conflict of interest.

The Board has adopted this Policy with respect to RPTs on the recommendation of the Audit Committee. The Audit Committee is empowered to review and recommend amendments to this Policy as may be considered necessary from time to time.

1. Related Party Transaction

RPT can be defined as transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged.

A transaction with a related party shall be construed to include a single transaction or a group of transactions in a contract.

2. Manner of Dealing with Related Party Transactions

The Company has formulated guidelines for identifying and monitoring RPTs as prescribed under the Act and Listing Regulations which has been approved by the Board and the same will be strictly adhered to.

3. Approval of RPTs by the Audit Committee

All RPTs, whether material or not, will require the prior approval of the Audit Committee of the Board.

4. Omnibus Approval by Audit Committee

The Audit Committee may, owing to the repetitive nature of transactions to be entered into or when the need for RPTs cannot be foreseen in advance, grant **Omnibus Approval** for such RPTs in accordance with the Listing Regulations.

5. Approval of RPTs by the Board of Directors

Related Party Transactions which are required to be approved by the Board under the provisions of the Companies Act, 2013 or Listing Regulations shall be entered into by the Company only after prior approval is accorded by the Audit Committee.

Where any director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

6. Approval of RPTs by the shareholders

Related Party Transactions which are required to be placed before the shareholders of the company under the Act or the Listing Regulations shall be entered into only after such approval has been accorded by the shareholders. The company shall ensure the restrictions on voting by the Related Parties as prescribed are complied with while obtaining the approval of the shareholders.

7. Review and approval of Related Party Transactions

The Audit Committee, Board and shareholders, as the case may be provided with all relevant information of RPTs such as rational for entering into transactions, terms & conditions, the business purpose of the transactions, the benefits to the Company and Related Party and such other information as may be prescribed.

8. RPTs not approved by the Audit Committee or the Board, as the case may be

In the event of the contract entered into without the prior approval of Board or shareholder, due to extreme necessity the same shall be ratified by the Board, and/or shareholders, as required within 3 months of the entering into the contract. If not, the contract / arrangement shall be voidable at the option of the Board.

9. Disclosures by the Company:

- The particulars of contracts or arrangement with Related Parties will be disclosed in the Register of Contracts or Arrangements in which directors are interested (refer Rule 16 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and in the Directors' report in Form AOC-2, in the manner prescribed in the Companies Act, 2013 and the Rules thereunder.
- Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance and the company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.
- The Company may submit, as may be required, within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website

10. Amendments/ Revisions to the Related Party Transactions Policy

Amendments to this Policy, as and when required or mandated, will be carried out only after the approval of the Board of Directors of the Company.

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