



ASHIRWAD STEELS & INDUSTRIES LIMITED

Registered & Head Office: 6, Waterloo Street, Suit No. 506, Kolkata 700069, Ph: 033 22430372/76;
Email:ashirwadsteels@gmail.com; Web:www.ashirwadsteels.com;CIN: L51909WB1986PLC040201

POLICY ON RELATED PARTY TRANSACTION OF ASHIRWAD STEELS & INDUSTRIES LIMITED

1. PURPOSE OF THIS POLICY:

ASHIRWAD STEELS & INDUSTRIES Limited ("Company") is governed, amongst others, by the rules and regulations framed by Securities and Exchange Board of India ("SEBI").

SEBI has mandated every listed company to formulate a policy on materiality of Related Party Transactions ("RPT") and also on dealing with Related Party Transactions.

- a. Accordingly, the Company has formulated this policy (Policy) on materiality of Related Party Transactions and on dealing with Related Party Transactions. This Policy regulates all transactions between the Company and its Related Parties.
- b. The Board of Directors of the Company ("Board") on recommendation of the Audit Committee of the Company ("Audit Committee") shall review the Policy once in three years and may amend the same from time to time as needed under law or otherwise.

2. Definitions :-

- a. "Act" shall mean the Companies Act, 2013 and includes any amendments thereto or thereof. "
- b. "Arm's length transaction" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- c. "Material RPT"- means an RPT with thresholds as prescribed under the Listing Regulations.
- d. "Material modification" means any subsequent change to an existing RPT, having variance of 20% of the existing limit or Rs.10 crores whichever is lower.
- e. "Ordinary course of business" means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the company can undertake as per Memorandum & Articles of Association of the company.

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such terms in the companies Act and the Rules thereunder and the SEBI



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(Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time.

In case of any conflict between this Policy and applicable law, the applicable law (as existing on the date of the concerned transaction) shall prevail.

3. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTION APPROVAL OF RELATED PARTY TRANSACTIONS

a. Audit Committee

All the transactions which are identified as Related Party Transactions and subsequent modifications thereof shall be approved by the Audit Committee in the manner specified under the Listing Regulations. The Audit Committee shall consider all relevant factors while deliberating the Related Party Transactions for its approval.

b. Any member of the Audit Committee who has a potential interest in any Related Party Transaction shall recuse himself and abstain from discussion and voting on the approval of the Related Party transactions. A Related Party Transaction which is (i) not in the ordinary course of business, or (ii) not at arm's length price, would require approval of the Board or of the shareholders, as detailed in subsequent paragraphs.

c. The Audit Committee may grant omnibus approval for Related Party Transactions which are repetitive in nature and subject to such criteria/conditions as mentioned under Regulation 23(3) of the Listing Regulations and such other conditions as it may consider necessary in line with this Policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

d. The Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions and material modifications thereof, entered into by the Company pursuant to the omnibus approval, if any. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

A. Related Party Transactions entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Audit Committee, will be placed before the Audit Committee for ratification.

B. The Audit Committee shall also pre-approve related party transactions, where the Company is not a party, but the Company's associate entities is or are a party, if the value crosses the thresholds as prescribed under the Listing Regulations.



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4. BOARD OF DIRECTOR'S APPROVAL

In case any Related Party Transactions are referred by the Company to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transactions or may require such modifications to the terms of transactions as it deems appropriate under the circumstances.

Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

5. SHAREHOLDERS APPROVAL

If a Related Party Transaction is (i) a material transaction as per Regulation 23 of the Listing Regulations, or (ii) not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Companies Act, 2013, then such RPT and any subsequent material modification thereto, shall require shareholders' approval by a resolution.

In such a case, any member of the Company who is a Related Party, irrespective of being related to the said transaction or not, shall not vote on resolution passed for approving such Related Party Transaction.

6. POST FACTO APPROVAL

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 completion or consummation, the Company would obtain post facto approval from the Audit Committee, the Board and/or shareholders as required under applicable laws/regulations.

In case the Company is not able to take such prior approval from the Audit Committee, the Board and/or shareholders, such a transaction shall not be deemed to violate this Policy, or be invalid or unenforceable, so long as post facto approval is obtained as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by this policy.



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7. REPORTING OF RELATED PARTY TRANSACTIONS

- a. Every contract or arrangement, which is required to be approved by the Board or the shareholders under this Policy, shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.
- b. The details of all transactions with related parties shall be submitted, in the format specified, half yearly to the stock exchanges, as per the manner and timelines set-out in the Listing Regulations and the same shall be published on the Company's website.

8. LIMITATION AND AMENDMENTS

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments or rules made there under; the provisions of such Acts or rules or Listing Regulations or statutory enactments or rules there under ; shall prevail over this Policy.

Any future and subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

9. DISCLOSURE OF THE POLICY

This Policy shall be uploaded on the website of the Company.

10. APPROVAL OF THE POLICY:

This policy relating to RPT has been Approved by the board of directors of the company in their meeting held on 15.07.2022.