

THE MOTOR & GENERAL FINANCE LIMITED
CIN:L74899DL1930PLC000208

REVISED POLICY ON RELATED PARTY TRANSACTIONS
Adopted by the Board on June 6,2019

1. Preamble

The Motor & General Finance Limited (“Company”) recognizes that Related Party Transactions (as defined below) can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the company’s interests. Therefore, this Policy regarding the review and approval of Related Party Transactions has been adopted by the Company’s Board of Directors, as recommended by the Audit Committee, in order to set forth the procedures under which certain transactions must be reviewed and approved or ratified.

This Policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable on the Company.

The Board of Directors of the company will review and, if required, amend this Policy from time to time and such amended Policy shall also be in conformity with the provisions of the Companies Act 2013, including the Rules made thereunder and the SEBI(LODR) Regulations and must be approved in the manner as may be decided by the Board of Directors.

2. Purpose

This Policy is framed as per requirement of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges and intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders.

3. Definitions

- a) **“Audit Committee or Committee” means the Audit Committee of Board of Directors of the Company;**
- b) **“Board” means the Board of Directors of the company;**
- c) **“Company” means The Motor & General Finance Limited**
- d) **“Key Managerial Personnel” means the following managerial personnel as defined under the Companies Act, 2013:-**
 - i) **the Chief Executive Officer or the Managing Director or Manager;**
 - ii) **the Company Secretary;**
 - iii) **the Whole-time Director;**
 - (iv) **the Chief Financial Officer and all members of the management one level Below the Chief Executive Officer.**
- e) **“Policy” means the current Policy on Related Party Transactions, including amendments, if any, from time to time.**
- f) **‘Promoter’ and ‘Promoter Group’ shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any amendment thereof;**
- g) **“Related Party” means a related party as defined in Section 2(76) of the Companies Act,2013 or under the applicable Accounting Standards as amended from time to time;**

Further, for the purposes of this policy, the term Related Party includes any person or entity belonging to the Promoter or Promoter Group of the Company and holding 20% or more of shareholding in the Company.

h) "Related Party Transaction" means a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged;

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

i) "Material Related Party Transaction" means a transaction which individually or taken together with previous transactions during a financial year; exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements. Provided that effective 1st July,2019 or such other date notified for the implementation of Regulation 23(1A) of the Listing Regulations, a 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 two percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

j) "Relative" means a relative as defined in Section 2(77) of the Companies Act, 2013.

k) "SEBI LODR Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

4. Policy:

Identification of Potential Related Party and Transactions
Every Director and Key Managerial Personnel is responsible for providing notice to the Board or the Audit Committee of the list of Related Parties as covered under Section 2(76) of the Companies Act, 2013 as well as the applicable Accounting Standards. This list of Related Parties shall be updated on an annual basis and further changes informed as soon as possible. The list of Related Parties shall be modified at the time of appointment to office of any person who may be considered to be a Related Party or a Related Party relationship coming into being; and the list of Related Parties shall be updated and provided to the Board/Audit Committee at the first meeting of the Board held in every financial year, subject to immediate intimation of any modification/variation to the list so provided to the Company. Each Director as well as KMP shall inform in advance the Company of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/ Audit Committee may reasonably request. The Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction and if yes, such transaction will require compliance with this Policy.

The company will identify the potential transactions with the Related Parties.

5. Review and approval of Related Party Transactions

Audit Committee:

Every Related Party Transaction shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation. However, Audit Committee may grant prior omnibus approval for Related Party Transactions which are repetitive in nature and are in the ordinary course of business and satisfy the Arm's length basis, subject to the compliance of conditions contained in Regulation 23 of the Listing Regulations.

Any member of the Audit Committee who has a potential conflict of interest in any Related Party Transaction will not remain present at the meeting or shall abstain from discussion and voting on the approval of such Related Transaction and shall not be counted in determining the presence of quorum when such transaction is considered to review Related Party Transaction. The Audit Committee shall

be provided with necessary information to the extent relevant with respect to actual or potential Related Party Transactions and/or prescribed under the Act and the Listing Regulations.

While considering any Related Party Transaction, the Audit Committee shall take into account all relevant facts and circumstances, including the terms and business purpose of such Transaction, the benefits to the company and to the Related Party, whether such Transaction includes any potential reputational risk that may arise as a result of or in connection with the proposed Transaction and any other relevant matters. In assessing a Related Party Transaction, the Audit Committee shall consider such factors as it deems appropriate, including without limitation:-

- i. the business reasons for the Company to enter into the Related Party Transaction;
- ii. the commercial reasonableness of the terms of the Related Party Transaction;
- iii. the materiality of the Related Party Transaction to the Company;
- iv. whether the terms of the Related Party Transaction are fair to the Company and on the same basis as would apply if the transaction did not involve a Related Party;
- v. the extent of the Related Party's interest in the Related Party Transaction;

Ordinary course of business:

All transactions or activities that are necessary, normal and incidental to the business of the Company shall be deemed to be in the ordinary course of business. These may also be common practices and customs of commercial transactions.

To decide whether an activity which is carried on by the business is in the 'ordinary course of business', the following factors may be considered:

- a. Whether the activity is covered in the objects clause of the Memorandum of Association.
- b. Whether the activity is in furtherance of the business.
- c. Whether the activity is normal or otherwise routine for the particular business
- d. Whether the activity is repetitive/frequent.

Arm's length transaction:

"Arms' 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. In this regard, the following guidelines can be used for determining the arms' length basis:

- whether the terms of the transaction are fair and would apply on the same basis if the transaction did not involve a Related Party.
- whether there are any compelling business reasons to enter into the transaction and the nature of alternative transactions if any.
- whether the transaction would affect the independence of an independent director;
- whether the transaction poses any consequential potential reputational risk issues;
 - whether the transaction would present an improper conflict of interest for any director or KMP, taking into account the size of the transaction, the overall financial position of the director/KMP or other Related Party, the direct or indirect/KMP or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship.

Omnibus approval

Criteria and the need for granting omnibus approval

- a. The Audit Committee may, in the best interests of the Company and to ensure smooth operations, grant omnibus approval for Related Party Transactions, proposed to be entered into by the Company which are repetitive in nature and which are routine and incidental to the general operations of the Company, subject to such criteria/conditions as it may deem fit, further taking into account the justification for needing an omnibus approval. Such approval shall be valid for a period not exceeding one year and shall specify the following:-

- i. The name(s) of the Related Party;
 - ii. The nature of the transaction, period of transaction, maximum amount of transaction that can be entered into &
 - iii. The indicative base price/current contract price and the formula for variation in the price, if any.
- b. The Audit Committee may specify any additional conditions for such determination, as it may deem fit.
 - c. The Audit Committee may also grant omnibus approval, without the above details, for unforeseen transaction subject to a value not exceeding Rs.1 crore per transaction.
 - d. Such Omnibus approvals shall be valid for a maximum period of one year.
 - e. The Audit Committee shall review the details of Related Party Transactions entered into by the Company pursuant to such Omnibus approvals, on a half yearly.

6. **Board of Directors**

If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction and the considerations set forth above shall apply to the review and approval of the matter by the Board of Directors, with such modifications as may be necessary or appropriate under the circumstances. Any member of the Board who has a potential conflict of interest in any Related Party Transaction will not remain present at the meeting or shall abstain from discussion and voting on the approval of such Related Party Transaction and shall not be counted in determining the presence of quorum when such Transaction is considered.

7. **Shareholders:**

All the Material Related Party Transactions shall require approval of the shareholders through resolution and the Related Parties shall abstain from voting on such resolutions.

All the transactions, other than the Material Related Party Transactions, with the Related Parties which are not in the ordinary course of business or at Arm's Length basis shall also require the approval of the shareholders through a resolution if so required under any law and the Related Party/ies with whom transaction is to be entered into shall abstain from voting on such resolution.

8. **Related Party transactions not previously approved:**

In the event the company becomes aware of a Related Party Transaction that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practicable before the Audit Committee or Board of Directors or the Shareholders as may be required in accordance with this Policy for review and ratification.

Audit Committee or the Board of Directors or the Shareholders shall consider all relevant facts and circumstances of such transaction and shall evaluate all options available to the company, including but not limited to ratification, revision or termination of such Transaction and the company shall take such actions as the Audit Committee deems appropriate under the circumstances.

9. **Policy Review :**

In case of any subsequent changes in the provisions of the Companies Act or any other regulations, including the SEBI LODR Regulations, which makes any of the provisions in the Policy inconsistent with the Companies Act or such other regulations, such provisions of the Companies Act or such other regulations would prevail over the 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 Audit Committee/Board once every three years. Any changes or modification on the Policy as recommended by the Audit Committee would be presented for approval of

the Board. The Board can from time to time authorize Directors to make changes in the policy due to regulatory or legal requirement and such changes made to be brought to the attention of the Board at the first meeting following the amendment.

10. Disclosures:

Details of any Material Related Party Transactions shall be disclosed to the Stock Exchange(s) quarterly along with the compliance report on Corporate Governance.

The company shall disclose the Policy on its website and web-link shall be provided in the Annual Report.

11. Amendment in Law:

This Policy will be reviewed by the Board of Directors at least once every three years and updated accordingly. Any subsequent amendment/modification in the Listing Regulation and/or applicable laws in this regard shall automatically apply to this Policy.



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POLICY ON RELATED PARTY TRANSACTIONS

Clause 49(VII) (B) of the revised Listing Agreement states that an entity shall be considered as related to the company if:

- (i) Such entity is a related party under Section 2(76) of the Companies Act,2013; or
- (ii) Such entity is a related party under the applicable accounting standards.

Clause 49(VII)(C) states

"(C) The company shall formulate a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

Provided that a transaction with a related party shall be considered material if the transaction /transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company"

The Board of Directors(the "Board") of The Motor & General Finance Limited has adopted the policy and procedures with regard to Related Party Transactions based on the laws and regulations applicable on the company. The Audit Committee will review and may amend this policy from time to time.

This policy is framed as per requirement of Clause 49 of the Listing Agreement entered by the company with the Stock Exchanges and intended to ensure the proper approval and reporting of transactions between the company and its Related Parties. As per Clause, such transactions are appropriate only if they are in the best interest of the company and its shareholders. The company will disclose each year in the Financial Statement certain transactions between the company and Related Parties as well as policies concerning transactions with Related Parties.

All Related Party Transactions shall take prior approval of Audit Committee

Further, all Material Related Party Transactions shall require approval of the shareholders through Special Resolution and the Related Parties shall abstain from voting on such resolutions.

Each Director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.





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Related Party Transactions will be referred in a scheduled meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in any Related Party Transaction will abstain from discussion and voting on the approval of the Related Party Transaction.

To view a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the company and to the Related Party, and any other relevant matters. In determining whether to approve a Related Party Transaction, the Committee will consider whether the terms of the Related Party Transaction are fair and on arms length basis to the company and would apply on the same basis if the transaction did not involve a Related Party;

-Whether there are any compelling business reasons for the company to enter into the Related Party Transaction and nature of alternative transactions, if any;

-Whether the Related Party Transaction would affect the independence of an independent director;

-Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the company, taking into account the size of the transaction , the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the Director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

NOMINATION AND REMUNERATION COMMITTEE POLICY

The Nomination and Remuneration Committee has been established by the Board to assist it in discharging its responsibilities in relation to:-

- Remuneration and human resources arrangements;
- The structure of the Board and management team,

The Committee assists the Board by

- annually reviewing the Managing Director and Chief Executive Officer's(CEO's) remuneration package and/or any other matter as may be directed by the Board.
- providing guidance to the CEO on employment cost
- reviewing and advising on appropriate fee for non executive directors of the Board.
- monitoring the succession plans of the CEO's direct report;
- developing and implementing procedures for the Board's periodic evaluation of its performance and effectiveness.





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Chairman

The Chairman of the Committee, a non executive Director other than the Chairman of the Board, has been selected by the Board.

Audit Committee Responsibilities

External Audit

- Consider and recommend the appointment of the external auditors, review the nature of non audit services provided by the auditors and their fees.
- Review the audit scope and objectives for the external audit programme for the ensuing year and approve the associated audit fee.
- Review the results and findings of the half year review and full year audit.
- Review the draft half yearly financial statements prior to recommending their adoption by the Board.
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review the internal audit report submitted by the Internal Auditor and take corrective and remedial measures to rectify the grave areas, if any, pointed out by the Internal Auditor.
- Review the draft year end financial statements prior to recommending their adoption by the Board.
- Review the Group's corporate governance practices and ethical code of conduct including consideration of the Corporate Governance Statement to be included in the annual report.
- Review and make recommendations to the Board concerning any proposed changes to the Audit Committee Policy.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Section 178(6)

The stakeholders Relationship Committee("the Committee") is to consider and resolve the grievances of share holders of the company.

Section 178(5) and 49 VIII.E4

1. The Chairman of the Committee shall be a Non Executive Director and it shall comprise of such other members as may be decided by the Board of Directors from time to time.



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The Committee consist of three members including the Chairman. Majority of the members are non-executive independent directors. The Chairman of the Committee is an independent director.

The Company Secretary/Compliance Officer shall act as the secretary to the Committee

The Committee will meet not less than twice a year. A quorum of the Committee is two members, one of which must be the Chairman of the committee.

The Chairman of the Committee provide a report to the Board after each Committee meet on key discussions and recommendations. Once the minutes have been approved by the Committee, a copy is forwarded to the Board for information/ratification.

AUDIT COMMITTEE POLICY**Purpose of Audit Committee**

The Audit Committee Policy sets out the role, composition, authority, responsibilities and operation of the Audit Committee of the Board.

Key features of the policy will be outlined in the Annual Report.

Function of Audit Committee

The Committee's primary function is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in the areas of:

- Application of accounting policy and reporting of financial information to shareholders, regulators and the general public;
- Business risk management and internal control systems, including business policies and practices; and
- Corporate conduct and business ethics, including Auditor's independence and ongoing compliance with laws and regulations.

Members and Term

- The Committee consists of a minimum of three Directors of the Board. The majority of members are independent non executive Directors.
- Committee members have a working familiarity with basic finance and accounting practices. At least one member of the Committee is having accounting and/or related financial management expertise.
- Committee members have been appointed by the Board and they will be automatically reappointed provided they are eligible. The effect of ceasing to be a Director of the Board is the automatic termination of appointment as a member of the Committee.

The Company Secretary/Compliance Officer shall act as the Secretary to the Committee





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Section 178(7)

1. The Chairman of the Committee, or in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the company.
2. The Company Secretary/Compliance Officer shall act as the secretary to the Committee
3. The Committee shall meet at such regular intervals as may be necessary and required by law.
1. The quorum shall be either two members or one third of the members of the Committee whichever is greater.

49.VIII.E4.

1. To approve/refuse/reject registration of transfer/transmission of shares in a timely manner.
2. To authorize printing of Share Certificate post authorization from the Board of Directors of the company.
3. To issue the Share Certificates under the seal of the company, which shall be affixed in the presence of, and signed by any authorize signatory
4. To authorize to sign and endorse the Share Transfers on behalf of the company and authorize Signatures for signing Share Certificates;
5. To authorise issue of duplicate Share Certificates and Share Certificates after split/consolidation/ rematerialisation and in replacement of those which are defaced, mutilated, torn or old, decrepit, worn out or where the pages on reverse for recording transfers have been utilized;
6. To monitor redressal of stakeholders complaints/grievances including relating to non receipt of allotment/refund, transfer of shares, non receipt of balance sheet, non receipt of declared dividends etc.
7. To maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates.
8. To perform all functions relating to the interest of shareholders of the company and as assigned by the Board, as may be required by the provisions of the Companies Act,2013 and Rules made thereunder, Listing Agreements with the Stock Exchanges and guidelines issued by the SEBI or any other regulatory authority.





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RISK MANAGEMENT COMMITTEE

PURPOSE OF THE COMMITTEE

The functions of Committee is to oversee the responsibility with regard to the identification, evaluation and mitigation of operational strategic and external environment risk. The Committee shall be responsible for reviewing and approving the risk disclosure statement in any public documents/disclosure.

The Committee shall meet atleast four times in a year. Two members being Independent Director present shall be the quorum for the meeting of the committee. The Risk Management Committee will coordinate its activities with the Audit Committee in instances where there is any overlap with the audit activities.



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POLICY REGARDING PERFORMANCE OF NON INDEPENDENT DIRECTOR, EXECUTIVE DIRECTOR AND BOARD AS A WHOLE

One of the Independent Directors shall be appointed as Chairman of the Meeting. Section 149(8) of the Companies Act, 2013 and the provisions specified in Schedule IV of the Companies Act, 2013 also specifies the code for Independent Directors. At least one meeting in a year of Independent Director shall be held to review the performance of Non Independent Directors, Executive Director and Board as a whole which will include CMD, JMD, ED. It will assess the quality, quantity and timeliness of follow up information between the company's management and the Board. Other broad parameters on which performance will be evaluated.

- i) Achievement of financial/business targeted by the Board.
- ii) Developing and managing/executing business plans, operational plans, risk management and financial affairs of the organization.
- iii) Correctly anticipating business trends, opportunities and priorities affecting the company's prosperity and operations.
- iv) Development of policies and strategic plans aligned with the vision and mission of the company.
- v) Establishment of an effective organization structure to ensure that there is a management focus on key functions necessary for the organization to align with the mission.

In evaluation of Non Executive Directors, it will be looked into that there has been effective participation at the Board/Committee Meetings.

- a. Effective deployment of knowledge and expertise.
- b. Effective management of relationship with stakeholders.
- c. Integrity and maintaining of confidentiality

In evaluation of the performance of the Board,

- a. it will be ensured that the process for setting the Board agenda is transparent and realistic to the current needs

Reviewing the performance of Chairman.

- a. It will be seen that there is proper managing relationship with the members of the Board.
- b. It demonstrates leading qualities
- c. Its relationship and communication with the Board.
- d. Providing the case of raising of issues and concerns by the Board's members
- e. Its Relationship and effectiveness of communication with the shareholders and other stakeholders.
- f. Promoting shareholder confidence in the Board.
- g. Personal attributes i.e. integrity, honesty, knowledge, etc.





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POLICY REGARDING THE PERFORMANCE OF THE INDEPENDENT DIRECTORS AND KEY MANAGERIAL PERSONNEL

Schedule IV of the Companies Act, 2013 read with Clause 49 of the Listing Agreement, the policy regarding evaluation of the performance of the Independent Directors and Key Managerial Personnel so that it is used continuously as a system to improve the Director's and Committee's effectiveness, to maximize their strength and to tackle their short comings.

To evaluate the performance of Independent Directors, the Chairman to meet each and every Director to find :-

- (i) that the Director comes well prepared and are informed of the Board/Committee meetings.
- (ii) They demonstrate their willingness to devote time and efforts to understand the company and its business and readiness to participate in all the events of the company.
- (iii) They have ability to remain focused at a governance level in the Board/Committee meetings.
- (iv) Their contributions at Board/Committee meetings are of high quality and innovative .
- (v) Director's contribution into the development of strategy and to risk management of the company.
- (vi) Director is effective and successful in managing relationship with the fellow Board members and senior management.
- (vii) They understand governance and regularity, financial fiduciary and ethical requirements of the Board and able to present his/her views convincingly yet diplomatically.
- (viii) The Independent Director have complied with the ethical standard and code of conduct of the company and have assisted in implementing the corporate governance practices, team working attributes and safeguarding of confidential information. The chairman shall review performance from time to time and shall place his observations/comments before the Board for their consideration.





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CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

In compliance of Section 135 of the Companies Act,2013 read with Companies (Corporate Social Responsibility Policy)Rules,2014, the Board of Directors have adopted the CSR policy to undertake school development activities so that it is in a position to promote education to young children and conservation and renovation of school building and class rooms differently. A Committee has been formed which comprises of members as under:-

CSR Committee

Sh.Abhiram Seth (DIN No.00176144) is the Chairman of the Committee and other two members will be Sh. Arun Mitter and Sh. Onkar Nath Aggarwal.

Objectives

The main objective of the CSR Policy will be:-

- To lay down guidelines to promote education especially for poor and under privileged children of Irrespective of caste.
- To conserve and renovate the school building and class rooms differently.
- To generate goodwill and recognition among all teachers of the school.

Our Responsibilities

We will involve and strive hard to bring about a positive change in the total environment of the school. We will also involve our employees to perform with total integrity and commitment to achieve the above objectives. It will also be ensured that the children study in the healthy work environment.

CSR Activities

To promote education

Area	Activities/Initiatives/Programs
Promoting education, including special education and employment enhancing vocation skills specially among children.	Construction and running of school and libraries, vocational training and special education institutes, providing financial assistance and scholarships for higher education. Undertaking skills and entrepreneurship programmes.

The CSR committee will review and may amend the policy from time to time. This policy will be applicable to the company. The main objective of the CSR policy is to lay down guidelines for the company to make CSR a key business process for sustainable development of the school. It is to ensure that the school receives facilities to help them to grow which in turn would lead to equip out of school / in school children adequate educational skills, social values, communication skills, provide computer literacy and english language skills.

The Board of Directors of the company shall review the implementation of CSR once a year.

DISCLOSURE

The Annual Report of the company shall include a section on CSR outlining the CSR Policy, CSR Committee, CSR initiatives undertaken by the company, the CSR spend during the financial year and other information as required by the prevailing law.



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POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION

1. Preamble

The Board of Directors(the "Board") of The Motor & General Finance Limited (the Company " or MGF") has adopted the following policy and procedures with regard to determination of materiality of events. The Board will constantly review and if found essential , may amend this policy from time to time.

2. Purpose of the Policy

The purpose of the policy is to ensure timely and adequate disclosure of material events under Regulation 30 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") read with Clause (ii) of sub-regulation (4) of Regulations 30 of the Listing Regulations.

3. Disclosure of events or information

- i) The company shall mandatorily disclose the events as specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any text of materiality, the same have been enclosed as Annexure 1 for reference.
- ii) The listed entity shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified below:-

Quantitative criteria calculated based on audited financial statements of the last audited financial year, would mean event/information where the value involved or the impact:

- a) Exceeds five percent of the gross turnover; or
 - b) Exceeds 20 per cent of the net worth
- Whichever is lower.

Qualitative criteria would mean an event/information

- a) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publically; or
- b) The omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;



- c) In case where the criteria specified in sub clauses(s) and (b) are not applicable, an event /information may be treated as being material if in the opinion of the board of directors of company, the event/information is considered material.
- iii). Any other information/event viz, major development that is likely to affect business, i.e. emergence of new technologies, expiry of plants, any change of accounting policy that may have a significant impact on the accounts, etc and brief details there of and any other information which is exclusively known to the company which may be necessary to enable the holders of securities of the company to apprise its position and to avoid the establishment of a false market in such securities, as stated under Para C of Part A of Schedule III of the listing regulations, be disclosed as may be advised by the Board from time to time.
- iv) The company shall make disclosures of any events or information which, in the opinion of the Board of directors of the listed company, is material. In case where an event occurs or information is available with the company, which has not been indicated in Annexure 1 and 2, but which may be material effect on it, the company is required to make adequate disclosures in regard thereof.

4. Guidance on when an event/information can be said to have occurred.

In certain instance, the occurrence of material event/information would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc, it would depend upon the timing when the company became aware of the event/information.

The event/information can be said to have occurred when the company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the company.

5. Prompt disclosure of material events

The company shall disclose to the stock exchanges of all events, as specified in Annexure 1, or information as soon as reasonably possible and not later than 24 hours from the occurrence of the event/information, in case the disclosure is made after 24 hours of occurrence of the event or information, the company shall, along with such disclosure provide explanation for delay.

The company shall make disclosures updating the material developments pertaining to material events on a regular basis, till such time the event is resolved/disclosed, and to be disclosed to the stock exchanges with relevant explanations.



The company shall also provide specific and adequate reply to all queries raised by the stock exchanges with respect to any event/information. The company may on its own initiative, confirm or deny any reported event or information to stock exchanges.

6. Authorisation for disclosures

Under the system, Executive Director, Chief Finance Officer & Company Secretary(Responsible Officer) who are responsible for the company's operations must report to Sh. Rajiv Gupta, Chairman & Managing Director &CEO any event/information which may possibly be material or of which the Responsible Officer is unsure as to its materiality. The event/information should be reported immediately after a Responsible Officer becomes aware of it.

On receipt of communication of potential material event/information, any two among Sh. Rajiv Gupta, Chairman & Managing Director &CEO, Sh. Arun Mitter, Executive Director and Sh. M.K. Madan, Vice President & Company Secretary are jointly will :-

- i. Review event/ information and to take whatever steps necessary to verify its accuracy;
- ii. Assess whether the event/information is required to be disclosed to the Stock Exchanges under the Listing Regulations;
- iii. Report the matter to Mr. Rajiv Gupta, Chairman & Managing Director or Mr. Arun Mitter, Executive Director of the company that event/ information is material and requires disclosure under Regulation 30 of the Listing Regulations.

Any two among Sh. Rajiv Gupta, Chairman & Managing Director &CEO, Sh. Arun Mitter, Executive Director and Sh. M.K. Madan, Vice President & Company Secretary are jointly authorized to determine materiality of an event/information and to authorise Mr. M.K. Madan, Vice President & Company Secretary to make disclosures to stock exchange(s).

Contact details of authorized personnel: Mr. M.K. Madan, Vice President & Company Secretary Office Phone No. 011-23276872 and Mobile No.9810013883. It is also available on company's website.

7. Posting of information on company's website

All such events or information which has been disclosed to stock exchange(s) under this regulation, to be placed on the website of the company for a minimum period of five years and thereafter as per the archival policy of the company.

The Policy and the contact details of the persons authorized by the Board are also available on the website of the company.



Annexure-1

The below list of events as specified in Para A of Schedule III of the listing regulations, are deemed to be material events and disclosure of such events shall be made to the Stock Exchange(s) as per the Listing Regulations, 2015 and as amended from time to time.

Schedule III PART 'A' and Para 'A'	Provision
1	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (Amalgamation/ merger/ demerger/ restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the company or any other restructuring.
2	Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls redemption, option of securities etc.
3	Revision in Rating(s)
4	<p>Outcome of Meetings of the board of directors: The company shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider:</p> <ol style="list-style-type: none"> 1. dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched 2. any cancellation of dividend with reasons thereof 3. the decision on buyback of securities 4. the decision with respect to fund raising proposed to be undertaken 5. increase in capital by issue for bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched. 6. reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to 7. short particulars of any other alterations of capital, including calls 8. financial results 9. decision on voluntary delisting by the company from stock exchange(s)
5	Agreements which are binding and not in normal course of business, revisions or amendments and terminations thereof (viz.shareholder agreements, joint venture agreements, family settlement agreements, contracts with media companies)



6	Fraud/ defaults by promoter or key managerial personnel or by company or arrest of key managerial personnel or promoter <ul style="list-style-type: none"> - At the time or unearthing or fraud or occurrence of the default/ arrest - Subsequently intimate the stock exchange(s) further details regarding fraud/ default/ arrest
7	Change in directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.). Auditor and Compliance Officer.
8	Appointment or discontinuation of share transfer agent
9	Corporate debt restructuring
10	One time settlement with a bank
11	Reference to BIFR and winding-up petition filed by any party/ creditors
12	Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the company.
13	Proceedings of Annual and extraordinary general meetings of the company
14	Amendments to memorandum and articles of association of listed entity, in brief
15	Schedule of Analyst or institutional investor meet and presentations on financial results made by the company to analysts or institutional investors

SEBI Circular date September 9, 2015 had provided the details that need to be provided while disclosing events specified in par A and B of Par A of Schedule III of the Listing regulations.



Annexure-2

The below list of events as specified in Para B of Schedule III of the listing regulations, as amended from time to time, to be disclosed to the stock exchanges based on application of the guidelines for materiality.

Schedule III PART 'A' and Para 'B'	Provision
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division
2	Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption or new lines of business or closure of operations of any unit/division (entirely or piecemeal)
3	Capacity addition or product launch.
4	Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business
5	Agreements (viz.loan agreements(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof
6	Disruption of operations of any one or more units or division of the company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7	Effects(s) arising out of change in the regulatory framework applicable to the company
8	Litigation(s)/ dispute(s) regulatory action(s) with impact
9	Fraud/ defaults etc. by directors (other than key managerial personnel) or employees of company
10	Options to purchase securities including any ESOP/ESPS Scheme
11	Giving of guarantees or indemnity or becoming a surety for any third party
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals

SEBI Circular date September 9, 2015 has provided the details that need to be provided while disclosing events specified in par A and B of Part A of Schedule III of the Listing regulations.



THE MOTOR & GENERAL FINANCE LIMITED
Registered Office: 4/17-B, ASAF ALI ROAD, NEW DELHI-110002
CIN NO.L74899DL1930PLC000208

POLICY ON DOCUMENT PRESERVATION AND ARCHIVAL OF DOCUMENTS

Purpose and Scope

The purpose of this document is to present a high level policy statement for Motor & General Finance Limited(MGF) regarding preservation of its documents in accordance with the provisions of the Companies Act,2013 and in accordance with the provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015("LODR"). The policy is framed for the purpose of systematic identification, categorization, maintenance, review, retention and destruction of documents received or created in the course of business. The policy would contain guidelines on how to identify documents that need to be maintained, how long certain documents should be retained, how and when those documents should be disposed off, if no longer needed and how the documents should be assessed and retrieved when they are needed.

This policy has been adopted and approved by the Board of Directors at its meeting held on December 1,2015.

Statutory Mandate and Objective

With this policy, the company intends to safeguard significant documents and preserve them to ensure durability of documents including documents in electronic form. This policy may be reviewed by Board of Directors and amendments made, to comply with any requirements under any statute or regulation, from time to time.

Process

A) Permanent Preservation:

- 1) All documents filed with Ministry of Corporate Affairs
- 2) All documents filed with SEBI/NSE/BSE
- 3) All documents filed with Tax Authorities in Income Tax, Service Tax, VAT and similar tax authorities.
- 4) All permits, licenses, authorization from statutory authorities.
- 5) Audited Accounts
- 6) Documents relating to investments in subsidiaries/associate companies.
- 7) Any other documents required to be preserved permanently under any law/statute which the Board may decide.

Contd.....2



: 2 :

B) Preservation for 8 years

- 1) Bank, cash vouchers, payment vouchers, warrants
 - 2) Bank Statements
 - 3) Purchase Bills
 - 4) Sales Invoices, Debit/credit notes, etc
 - 5) Accounting records
 - 6) Any documents related to correspondence with Customers/shareholders.
 - 7) Any other documents required to be reserved for 8 years under any law/statute and for which the Board will be informed.
- C) Other documents may be stored and preserved in physical form/electronic form, after the completion of the relevant transactions, for such period as may be required, in each case and as may be decided by the Board.

Electronic Documents including email retention and back up

Electronic Mail:

- 1) All e-mail- from internal and external sources to be deleted after they cease to be of current use.
- 2) Employees should keep emails related to current business issues.
- 3) I.T. Department would archive email for 7 years on email archival server after the employees have deleted it, post which time the email will be permanently deleted.
- 4) Employee will not store or transfer the company related emails on non work related computers except as necessary or appropriate with due approvals from the respective Head of Department.
- 5) Employees will take care not to send confidential information to outsiders.

Web page files

- 1) All such events/information hosted on the company's website shall be retained for a period of 5 years as specified in SEBI's LODR Regulations, 2015.
- 2) After the initial period of 5 years, documents/information (except documents of permanent nature) shall be archived by the I.T. department for a further period of 3 years.
- 3) Documents of permanent nature, uploaded on the company's website, shall be archived by the I.T. Department.

Responsibility:

The responsibility for preservation of the documents will be on the concerned department heads. Head-IT will be responsible for all the documents preserved in electronic mode.



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THE MOTOR & GENERAL FINANCE LIMITED

M.G.F. HOUSE,

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RISK MANAGEMENT POLICY

1. Background

Risk in literal terms can be defined as the effect of uncertainty on the objectives. Risk is measured in terms of consequences and likelihood. Risks can be internal and external and are inherent in all administrative and business activities. Every member of any organization continuously manages various types of risks. Formal and systematic approach to managing risks have evolved and they are now regarded as good management practice also called as Risk Management.

Risk Management is the identification, assessment and prioritization of risk followed by coordinated and economical application of resources to minimize, monitor, and control the portability and/or impact of uncertain events or to maximize the realization of opportunities. Risk management also provides a system for the setting of priorities when there are competing demands on limited resources

Effective risk management requires

A strategic focus,

Forward thinking and active approaches to management

Balance between the cost of managing risk and the anticipated benefits and

Contingency planning in the event that critical threats are realized.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the company are imperative. The common risks, inter-alia, are: Regulations, Competition, Business Risk, Return on investments, Business cycle, Increase in Price and Costs, Limited Resources, Retention of Talent etc

2. Legal Framework

Risk Management is a key aspect of the Corporate Governance Principles and Code of Conduct" which aims to improvise the governance practices across the company's activities. Risk management policy and processes will enable the company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

3. Object and Purpose of Policy

The main objective of this policy is to oversee the responsibility with regard to the identification, evaluation and mitigation of operational strategic and external environment risk. The Risk Committee formed for this purpose shall be responsible for reviewing and approving the risk disclosure statement in any public documents/disclosure.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associates with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Specific objectives of the Risk Management Policy are:-

- i) To ensure that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management.



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- ii) To establish a framework for the company's risk management process and to ensure its implementation.
- iii) To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- iv) To assure business growth with financial stability.

4. Disclosure in Board's Report

The provisions of Section 134(3) (n) of the Companies Act, 2013 necessitate that the Board's Report should contain a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

Further, the provisions of Section 177(4) (vii) of the Companies Act, 2013 require that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter-alia, include evaluation of risk management systems.

In line with the above requirements, it is therefore, required for the company to frame and adopt a "Risk Management Policy" of the company.

5. Back ground and implementation

This document is intended to formalize a risk management policy, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks.

This policy is in compliance with the amended Clause 49 of the Listing Agreement (w.e.f. 1st October, 2014) which requires the company to lay down procedure for risk assessment and procedure for risk minimization

The Board of Directors of the company and the Audit Committee shall periodically review and evaluate the risk management system of the company so that the management controls the risk through properly defined network.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

6. Constitution of Risk Management Committee

Risk Management Committee shall be constituted by the company consisting of such number of Directors (executive or non-executive) as the company may think fit. Constitution of Risk Management Committee is as under:-

Sh. Bharat Kumar, Chairman

Sh. Arun Mitter, Member

Sh. Abhiram Seth, Member

The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit.

7. Role of the Board

The Board will undertake the following actions to ensure risk is managed appropriately:

- The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.



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- The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit
- Ensure that the appropriate systems for risk management are in place.
- The independent directors shall help in bringing an independent judgment to bear on the Board's deliberations on issues of risk management and satisfy themselves that the systems of risk management are robust and defensible;
- Participate in major decisions affecting the organisation's risk profile;
- Have an awareness of and continually monitor the management of strategic risks,
- Be satisfied that processes and controls are in place for managing less significant risks;
- Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- Ensure risk management is integrated into Board reporting and annual reporting mechanisms.
- Convene any board committees that are deemed necessary to ensure risk is adequately managed and resolved where possible

8. Review

This policy shall be reviewed at least every year to ensure it meets the requirements of legislation and the needs of organisation



INTERNAL FINANCIAL CONTROL POLICY OF THE MOTOR & GENERAL FINANCE LIMITED(REVISED)

The Board of Directors of **THE MOTOR & GENERAL FINANCE LIMITED** in its Board Meeting held on November 13,2019 has adopted the revised policy on Internal Financial Control Policy.

Internal Financial Control Policy besides meeting the requirements of Section 134 (5) (e) of the Companies Act, 2013 has been helpful in ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

DEFINITIONS

"Audit Committee" means Committee of Board of Directors of the Company constituted under the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations,2015.

"Board of Directors" or "Board" in relation to a Company, means the collective body of Directors of the Company. [Section 2(10) of the Companies Act, 2013]

"Books or Books of account" as per sub-section (12A) of Section 2 of Income Tax Act, 1961 means "Books or Books of account includes ledgers, day-books, cash books, account-books and other books, at presently kept in non computerized manner.

Committee of Directors 'Committee in relation to a company means collective body of Independent & Non Independent Directors.

"Financial Statement" including Consolidated Financial Statement as per Companies Act, 2013 in relation to a Company means a Statement which includes –

- (i) a balance sheet as at the end of the financial year;
- (ii) a profit and loss account, for the financial year;
- (iii) cash flow statement for the financial year;
- (iv) a statement of changes in equity, if applicable; and
- v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to sub-clause (iv) along with Limited Review Report where applicable.

"Policy" means "Internal Financial Control Policy."

OBJECTIVES

The objectives of this policy is to identify opportunities for improvement and to draw up recommendations & good practices that can be used as a benchmark to develop or strengthen the internal control systems and enhance the reliability of the financial statements and also

- To mitigate risks and provide reasonable assurance so that there is an efficiency & effectiveness in operations,



- To ensure that financial reporting gives accuracy and completeness of accounting records,
- To ensure company's resources are used prudently and in an efficient, effective and economical manner,
- Resources of the company are adequately managed through effective internal controls,
- A framework for an effective internal control system which conveys to senior staff that they are responsible for ensuring that internal controls are established, documented, maintained and adhered to across the company and to all employees that they are responsible for adhering to those internal controls,
- To ensure the propriety of transactions, information integrity, compliance with regulations and achievement of company's objectives through operational efficiency.

ELEMENTS OF INTERNAL CONTROL FRAMEWORK

The essential elements of an effective internal financial control framework are:

- Type of business;
- Delegations of Authority;
- Policies and its implementation;
- Qualified & semi qualified staff;
- Information Technology controls;
- Review the internal audit report & steps taken to rectify the discrepancies
- Liaison with auditors;

KEY NOTES ON INTERNAL CONTROL POLICY:

Internal Controls include reviews of the following areas:-

- Responsibility cast on senior management for establishment of overall policies and active oversight of parameters and controls:-
- In assessing functioning of various compliances, the Internal Auditor has to ensure that independent assessments are made fully covering functioning of various compliances under various statues and Rules & Regulations framed there under, adequate systems and procedures are at place for physical verification of stocks, fixed assets and other assets, proper books of accounts, vouchers along with supports and other documents are maintained, confirmation of balances from debtors, creditors and other parties are obtained periodically /at year end and proper systems and procedures are at place for internal control at various departments.
- Duties of the staff to be segregated.

For Effective Financial Control, The Board Of Directors And Senior Management Shall ensure there is :-

- Physical verification of all Fixed Assets & investment at reasonable intervals.
- Adequate Internal Control procedure for revenue & capital expenditure.



- All undisputed statutory dues including Provident Fund, Investor Education Protection Fund, , Income Tax, Service Tax/GST, Rates and Taxes and other Statutory dues are paid within the prescribed time.
- Funds availed on short term basis are not used for long term investment .
- The funds raised are utilized for the purpose as requested.
- The Company shall comply with all applicable Statutory Laws, Rules and Regulations.

ACCOUNTING POLICIES

The Financial Statement will be prepared in accordance with IND-AS notified under Section 133 of the Companies Act, 2013 read with the Companies(Indian Accounting Standard) Rules,2015.

The Company's Accounting policies will be accordingly changed which is suited in compliance of IND-AS :-

- Valuation of investments
- Treatment of retirement benefits
- Valuation of fixed assets
- Treatment of contingent liabilities

All the above will be suitably explained by the Auditors indicating therein the compliance of IND-AS.

BALANCE SHEET

The Balance Sheet and Statement of Profit and Loss of the Company shall be in accordance with Schedule III of Companies Act, 2013 read with IND-AS.

REGULATORY FRAMEWORK/REQUIREMENTS

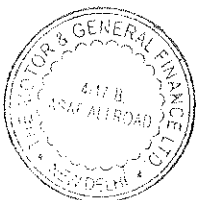
Internal Control Policy is framed as per the SEBI(LODR) Regulations,2015 & the following regulatory requirements includes:

- Material Disclosure and Transparency
- To ensure timely and accurate disclosure on all materiel matters.
- Information to be prepared and disclosed in accordance with the prescribed standard of accounting, financial and non- financial disclosure.

Responsibilities of Board

Key Functions of Board:

- Reviewing and guiding corporate strategy, annual budgets, monitoring implementation and corporate performance; and overseeing major capital expenditure.



- Ensuring the integrity of the Company's accounting and financial reporting systems, including independent audit, and that appropriate systems of control are in place, financial and operational control, and compliance with Law and relevant standards.

Role of Audit Committee

Broad Terms of Reference of the Audit Committee

- i) To oversee the company's financial reporting process and to ensure that the disclosure of its financial statements are sufficient and credible & oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- ii) Recommending the appointment of statutory auditors, fixation of audit fee and approval for payment. Discussions with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussions to ascertain any area of concern.
- iii) Reviewing with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval, with particular reference to:-
 - A.
 - (a) Matter required to be included in the Director's Responsibility Statement & to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 1913.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by the management, significant adjustments made in the financial statements arising out of audit findings.
 - (d) Compliance with listing and other legal requirements relating to financial Statements.
 - (e) Disclosure of any related party transactions.
 - B. Whether the audit tests are appropriate and scientifically carried out.
 - C. Modified opinion(s) in the draft Audit Report
 - iv) Compliance with listing and other legal requirements relating to financial statements.
 - v) Qualifications in the draft audit report,



- vi) Scrutiny of inter-corporate loans and investments.
- vii) Ensuring compliance with regulatory guidelines.
- viii) Reviewing with the management the adequacy of Internal Control Systems and ensuring suitable follow up action, where required.
- ix) To fix record date/book closure of share transfer books of the company from time to time.
- x) To evaluate the internal financial control and risk management policies/system of the company.
- xi) To review whistle blower mechanism of the company as per Whistle Blower Policy.
- xii) To review and scrutinize the loans, investments and guarantees.
- xiii) To recommend to the Board the appointment, remuneration and terms of appointment of Internal Auditor and also review the Internal Audit Report.
- xiv) To approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background.
- xv) Any other matter referred to by the Board of Directors.

The Audit Committee also mandatorily review the following information:

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transaction submitted by management.
- (3) Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.
- (6) Statement of deviations:



The Audit Committee may call for the comments of the auditors about internal control , scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

RISK MANAGEMENT

Broad Terms of reference of the Risk Management Committee

- i) The Company through its Board of Directors constitute a Risk Management Committee. The Board shall define the role and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the Risk Management Plan to the Committee and such other functions as it may deem fit.
- ii) The Company shall lay down procedures to inform the Board Members about the Risk Management and minimization procedures.
- iii) To oversee the responsibility with regard to the identification,
- iv) evaluation and mitigation of operational strategic and external environment risk.
- v) The Committee shall be responsible for reviewing and approving the risk disclosure statement in any public documents/disclosure.
- vi) It will coordinate its activities with the Audit Committee in instances where there is any overlap with the audit activities.

RELATED PARTY TRANSACTIONS

All Related Party Transactions shall require prior approval of Audit Committee. However Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to following conditions:-

- (a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy of Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.
- (b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in interest in the company.
- (c) Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,(ii) the indicative base price/ current contracted price and (iii) such other conditions as the Audit Committee may deem fit:



Provided that 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 Rs. 1 crore per transaction.

- (d) Audit Committee shall review, at least on a quarterly basis, the details of RPT entered into by the Company pursuant to each of the omnibus approval given.
- (e) Such omnibus shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

DISCLOSURES

(A) Related Party Transactions

Details of all Material transactions with related parties shall be disclosed quarterly along with the Compliance Report on Corporate Governance.

- (B) The Company shall disclose the policy on dealing with Related Party Transaction on its Website

(C) Disclosure of Accounting Treatment

Where in the preparation of financial statements, a treatment different from that prescribed in an Accounting Standard has been followed, the fact shall be disclosed in the financial statements, together with the management's explanation as to why it believes such alternative treatment is more representative of the true and fair view of the underlying business transaction in the Corporate Governance Report.

Provision of the Section 128,129 &134 of Companies Act, 2013 which, inter alia, states that the company shall prepare and keep at its Registered Office books of account and other relevant books and papers and financial statement for every financial year and such books shall be kept on accrual basis and according to the double entry system of accounting provided that all or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place :

Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.

The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and shall comply with the accounting standards as notified under section 133 and shall be in the form as may be provided in Schedule III]

- (I) Without Prejudice to sub-section (1) where the financial statements of the Company do not comply with the accounting standards referred to in sub-section (7), the company shall disclose in its financial statements, the deviation from the accounting standards, the reasons for such deviation and the financial effects, if any, arising out of such deviation. The financial statement, including consolidated financial statement, if any, shall be approved by the Board of Directors before they are signed on behalf of the Board at least by the chairperson of the company where he is



authorised by the Board or by two directors out of which one shall be Managing Director and the Chief Executive Officer, if he is a Director in the company, the Chief Financial Officer and the Company Secretary of the company, wherever they are appointed, for submission to the auditor for his report thereon.

- (2) The auditors' report shall be attached to every financial statement.
- (3) There shall be attached to statements laid before a company in general meeting, a report by its Board of Directors, which shall include:-
 - (a) the extract of the annual return as provided under sub-section (3) of Section 92;
 - (b) number of meetings of the Board;
 - (c) Directors' Responsibility Statement;
 - (d) a statement on declaration given by independent directors under sub-section (6) of section 149;
 - (e) in case of a company covered under sub-section (7) of section 178, company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;
 - (f) Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made
 - (i) by the auditor in his report; and
 - (ii) by the company secretary in practice in his secretarial audit report;
 - (g) particulars of loans, guarantees or investments under section 186;
 - (h) particulars of contracts or arrangements with related parties referred to in subsection (1) of section 188 in the prescribed form;
 - (i) the state of the company's affairs;
 - (j) the amounts, if any, which it proposes to carry to any reserves;
 - (k) the amount, if any, which it recommends should be paid by way of dividend;
 - (l) material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;
 - (m) the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;



- (n) a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company;
 - (o) the details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;
 - (p) A statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors;
 - (q) such other matters as may be prescribed
- (4) The report of Board of Directors shall be attached to the financial statements.
- (5) The Directors' Responsibility Statement referred to in clause (c) of sub-section (5) shall state that:-
- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
 - (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
 - (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - (d) The directors had prepared the annual accounts on a going concern basis; and
 - (e) The directors had devised proper systems to ensure compliance with the Provisions of all applicable laws and that such systems were adequate and operating effectively.
- (6) A signed copy of every financial statement, including consolidated financial Statement, if any, shall be issued, circulated or published along with a copy each of:-
- (a) any notes annexed to or forming part of such financial statement;
 - (b) the auditor's report; and
 - (c) the Board's report referred to in sub-section (3).



- The Board's Report shall be prepared based on the standalone financial statements of the company and the report shall contain a separate section wherein a report on the performance and financial position of each of the associates companies included in the consolidated financial statement is presented.



THE MOTOR & GENERAL FINANCE LIMITED

Documents Title	Related Party Transaction Policy
Revised & effective date	April 1, 2022
Authority approving the Policy	Board of Directors



THE MOTOR & GENERAL FINANCE LIMITED
CIN NO.L74899DL1930PLC000208
REVISED POLICY ON RELATED PARTY TRANSACTIONS

1) INTRODUCTION, SCOPE AND PURPOSE OF THE POLICY:

The Motor & General Finance Limited (hereinafter referred to as the 'Company') recognizes that related party transactions can present actual or potential conflict of interests which may be against the best interests of the Company or its shareholders; hence, it transacts business with its related parties on an arm's length basis.

Pursuant to Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations (Listing Regulations), 2015, the Company is required to formulate a policy on materiality of related party transactions and dealing with related party transactions.

The Company has formulated guidelines for identifying related parties and maintaining proper documentation of all related party transactions in compliance with the provisions of Section 188 of the Companies Act, 2013 read with the Rules made thereunder and Regulation 23 of the Listing Regulations.

The Policy provides a framework for governance and reporting of related party transactions, including material transactions. Amendments from time to time to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

2) OBJECTIVE OF THE POLICY:

The Policy sets out the manner of dealing with the transactions between the Company and its related parties in compliance with the applicable laws and regulations as may be amended from time to time and to fix the materiality thresholds for related party transactions.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of related party transactions in the best interests of the Company and its shareholders.

3) DEFINITIONS:

“**Board**” means the Board of Directors as defined under the Companies Act, 2013.

“**Audit Committee**” means the Committee of the Board constituted from time to time under Regulation 18 of SEBI(LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

“**Control**” shall have the same meaning as defined in the SEBI (Substantial Acquisition and Takeover) Regulations, 2011.

“**Key Managerial Personnel**” shall mean Key Managerial Personnel as defined under Section 2(51) of the Companies Act, 2013.

“**Employees**” shall mean employees and office-bearers of the Company, including but not limited to Directors.



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

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction to be entered into individually or taken together with previous transactions during a financial year, exceeds two percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

“Relative” means a relative as defined under the Companies Act, 2013 and includes anyone who is related in any of the following manner –

- a. Members of a Hindu undivided family;
- b. Husband or wife;
- c. Father (including step-father);
- d. Mother (including step-mother);
- e. Son (including step-son);
- f. Son's wife;
- g. Daughter;
- h. Daughter's husband;
- i. Brother (including step-brother); or
- j. Sister (including step-sister).

4. PROCEDURE FOR APPROVING RELATED PARTY TRANSACTIONS:

- Approval by the Audit Committee of the Company

All related party transactions shall be entered into after prior approval of the Audit Committee. Based on the terms and conditions of a transaction, and applicable regulatory requirements, the Audit Committee shall recommend/refer it for the approval of Board of Directors or Shareholders.

The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company subject to the following conditions:

- i. The Audit Committee shall lay down the criteria for granting omnibus approval in line with the policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
- ii. The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- iii. Such omnibus approval shall specify (a) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (b) the indicative base price / current contracted price and the formula for variation in the price, if any and such other conditions as the Audit Committee may deem fit;



- iv If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the company/ additional disclosure shall be made in accordance with provision contained under SEBI LODR.
- v Whether the terms of the Related Party Transaction are fair and on arm's length basis to the company and would apply on the same basis if the transaction did not involve a Related Party'
- vi Whether there are any compelling business reasons for the company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- vii Any other information relevant or important for the Committee to take a decision on the proposed solution.

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 Crore per transaction;

- viii The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given; and
- ix Such omnibus approvals shall be valid for a period of one year and shall require fresh approvals after the expiry of one year.

The Company shall lay down a globally accepted framework to assess whether transactions with related parties are done on arm's length. Tests shall be conducted on an ongoing basis to determine that the transactions are in "ordinary course of business" and on "arms' length".

Pursuant to Regulation 23(5)(b), prior approval of the Audit Committee shall not be necessary for transactions between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

Approval by the Board of Directors of the Company

Pursuant to the provisions of Section 188 of the Companies Act, 2013, all transactions specified under the said Section which are not in the ordinary course of business and on arm's length, shall be placed before the Board for its approval.

The following transactions with related parties shall also be placed before the Board for its approval:

- Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or on arm's length and decides to refer the same to the Board for approval;
- Transactions which are in the ordinary course of business and on arm's length, but which in the view of the Audit Committee requires approval of the Board; and



The terms **"Director, Company Secretary, Chief Financial Officer"**, shall have the same meaning as defined under the Companies Act, 2013.

"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 interests.

"Office or Place of Profit" means any office or place:

- i. where such office or place is held by a director, if the director holding it receives from the Company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;
- ii. where such office or place is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise.

"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 enunciated in the Memorandum and the Articles of Association. The Board and the Audit Committee may lay down principles for determining in the ordinary course of business in accordance with statutory requirements and other industry practices and guidelines.

"Material Related Party Transaction" means a transaction with a related party which if the transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or Rs 1000 Crores whichever is lower.

"Related Party" means an individual, firm, entity, body corporate or person as defined under Section 2(76) of the Companies Act, 2013, or under applicable accounting standards and includes any person or entity belonging to the promoter or promoter group of the Company and holds 20% or more shareholding in the Company.

"Related Party Transaction" means any transaction for transfer of resources, services or obligations between the Company and any related party, regardless of whether a price is charged and includes but not limited to-

- a. Sale, purchase or supply of any goods or materials;
- b. Selling or otherwise disposing of, or buying property of any kind;
- c. Leasing of property of any kind;
- d. Availing or rendering of any services;
- e. Appointment of any agent for the purchase or sale of goods, materials, services or property;
- f. Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company; and
- g. Underwriting the subscription of any securities or derivatives thereof, of the Company.



- Related party transactions which are to be mandatorily approved by the Board under any law.

Threshold limits of related party transactions shall be approved by the Board of Directors and the Policy shall be reviewed by the Board of Directors at least once every three years and updated.

Approval of the Shareholders of the Company

All material related party transactions shall require approval of the shareholders and no related party shall vote to approve such resolution whether the entity is a related party to the particular transaction or not, provided that this shall not apply in respect of a resolution plan approved under Section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

All transactions enumerated in the first proviso to Section 188(1) of the Companies Act, 2013, which (a) are not in the ordinary course of business and on arm's length; and (b) exceeding the thresholds laid down in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, shall be approved by the shareholders.

4.1. STANDARDS FOR REVIEW

A RPT reviewed under this Policy will be considered approved or ratified if it is authorized by the Audit Committee or the Board or the Shareholders in the General Meeting, as applicable, in accordance with the standards set-forth in this Policy after full disclosure of the Related Party's interests in the transaction. As appropriate for the circumstances, the Audit Committee or Board, as applicable, shall review and consider:-

- a. the Related Party's interest in the RPT;
- b. the amount involved in the RPT;
- c. whether the RPT was undertaken in the ordinary course of business of the Company;
- d. whether the transaction with the Related Party is proposed to be, or was, entered on an arms' length basis;
- e. the purpose of and the potential benefits to the Company from the RPT, its related parties and/ or its subsidiaries;
- f. whether there are any compelling business reasons for the Company to enter into the RPT and the nature of alternative transaction, if any;
- g. whether the Company was notified about the RPT before its commencement and if not, why pre-approval was not sought and whether subsequent ratification would be detrimental to the Company; and
- h. Any other information regarding the RPT or the Related Party in the context of the proposed transaction that would be material to the Audit Committee/ Board/ Shareholders, as applicable in light of the circumstances of the particular transaction.



The Audit Committee/Board will review all relevant information available to it about the RPT. The Audit Committee or the Board, as applicable, may approve or ratify or recommend to the Shareholders the RPT already approved, only if the Audit Committee and/ or the Board, as applicable, determine that, under all of the circumstances, the transaction is fair and reasonable to the Company.

4.2. PROCEDURES FOR REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

- a. The Audit Committee shall undertake an evaluation of each RPT and subsequent modification in the RPTs already approved. If such evaluation indicates that the proposed transaction is not in the ordinary course of business and / or not at arm's length basis, then the Audit Committee shall report such RPTs, together with a summary of material facts, to the Board for its approval.
- b. If the Audit Committee is of the view that the RPT is Material RPT pursuant to provisions of Applicable Laws or the RPT is not in Ordinary Course of Business or not on Arm's length basis and crosses threshold limit as prescribed under the Applicable Laws and needs to be approved at a general meeting of the Shareholders, then the same shall be placed for prior approval of the Shareholders of the Company.
- c. If in case prior approval of the Audit Committee or the Board or the Shareholders in general meeting, as applicable, for entering into a RPT is not feasible/not obtained, then the RPT shall be ratified by the Audit Committee / the Board / Shareholders in the general meeting or by any other means as may be permissible under the Applicable Laws, if required, within three (3) months of entering into such a RPT.
- d. In the event the Audit Committee or the Board or the General Meeting determines not to ratify a RPT as stated in (c) above which has been already acted upon by the Company, then the Committee or the Board or the general meeting, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation of such RPT or approve modifications to such RPT to make it acceptable for ratification. The Audit Committee or the Board shall have an authority to modify or waive any procedural requirements of this Policy so long as such modification or waiver is not inconsistent with the provisions of the Applicable Laws.
- e. No Director or KMP shall participate in any discussion or approval of a RPT for which he or she is a Related Party, except that the Director / KMP shall provide all material information concerning such Related Party Transaction to the Audit Committee or the Board as appropriate.
- f. If the RPTs are repetitive in nature, the Audit Committee may grant omnibus approval in line with this policy.



5) DISCLOSURES:

- i) Every Director and Key Managerial Personnel (KMP) shall disclose the parties in which they are deemed to be interested.
- ii) Every Director and KMP shall promptly notify the Company Secretary of any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.
- iii) Each related party transaction, which requires approval of the Board, shall be referred to in the Board's report in the prescribed form together with justification for entering into such contract or arrangement. The Company shall also maintain the Register in the prescribed form.
- iv) The Company shall submit to the stock exchanges and publish on its website, within 15 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.
- v) 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.

6) ACTIONS TO BE TAKEN IN CASE ANY RELATED PARTY TRANSACTION IS NOT APPROVED AS PRESCRIBED BY THIS POLICY:

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all the relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control systems, and shall take such action as it deems appropriate.

Where the Audit Committee determines not to ratify a related party transaction that has been commenced without proper approval, it may direct additional actions including, but not limited to, termination of the transaction or seek the approval of the shareholders, payment of compensation for the loss suffered by the related party etc. In connection with any review/approval of a related party transaction, the Audit Committee has the authority to modify or waive any procedural requirements of this Policy.

7) WHISTLE BLOWER FOR ANY RELATED PARTY TRANSACTION ENTERED BY THE COMPANY IN CONTRAVENTION OF THIS POLICY:

Any officer or employee can avail of the vigil mechanism to report a fraudulent related party transaction.





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GSTIN : 07AAACT2356D2ZN

THE MOTOR & GENERAL FINANCE LIMITED

M.G.F. HOUSE,
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FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS HELD ON WEDNESDAY, THE MARCH 15,2023.

[Pursuant to Regulation 25 and 46 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations,2015]

As per Regulation 25(7) of the SEBI(Listing Regulations and Disclosure Requirements) Regulations,2015 ("Listing Regulations"), the Listed Entity shall familiarize the Independent Directors through various programs about the listed entity, including the following:-

- (a) Nature of the industry in which the listed entity operates
- (b) Business model of the listed entity
- (c) Roles, rights and responsibilities of Independent Directors, and
- (d) Any other relevant information

As per Regulation 46(2)(i) of Listed Regulations, the Listed entity shall disclose the details, on the website of the company, of familiarization programs imparted to Independent Directors including the following details:-

- i) Number of programs attended by Independent Directors(during the year and on a cumulative basis till date)
- ii) Number of hours spent by Independent Directors in such programs(during the year and on a cumulative basis) and
- iii) Other relevant details.

In compliance of Regulation 25(7) of SEBI Listing Regulations,2015 read with Schedule IV of the Companies Act,2013 & in continuity of corporate policy, the company carried out the Familiarization Programme for the Independent Directors so as to keep them updated with the company's performance & also apprise them of any new activity which the company may have taken. Mr. Bharat Kumar, Independent Director chaired the meeting. Mr. Onkar Nath Aggarwal, Independent Director and Mr. Karun Pratap Hoon, Independent Director through video conferencing also attended the meeting. The earlier meeting in this regard was held on December 28,2021. The attendance of the Independent Directors was co-linked with their presence to look into & assess the quality, quantity and timeliness of flow of information between the company's management and the Board to ensure that they are performing their duty effectively and reasonably. The company endeavor is to make the Independent Directors to stay connected with the developments, achievements and progress of the company.



Contd.....2



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: 2 :

Mr. Praveen Jain, Senior Partner, Statutory Auditors joined the meeting along with his partner, Mr. Pawan Kumar, to highlight the budget recently announced in the Parliament by the learned Finance Minister, Madam Nirmla Sitaraman. It was explained by Mr. Praveen Jain that this is a growth oriented budget with its emphasis on creation of employment & besides other areas, steps towards digitalization. He stated that amendments in both direct or indirect taxes have been introduced and the Finance Minister is hopeful that this will usher more confidence in the industrialization. Mr. Bharat Kumar, Chairman of the Meeting on behalf of his colleagues thanked Mr. Praveen Jain who vividly explained the intricacies of the budget announced recently.

Code of Conduct for Directors and its obligations & responsibilities were fully explained. It was stated that the purpose of issuing appointment letter to the Independent Director is only to make them aware their role and responsibilities, duties and liabilities, etc. The terms of the letter are available on the company's website at www.mgf ltd.com.

Mr. Arun Mitter, Executive Director on behalf of the Chairman & Mr. M.K. Madan, Vice President & Company Secretary familiarized the Independent Directors with the strategy, operation & function of the company.

Familiarization Programme for Independent Directors shall be uploaded on the company's website www.mgf ltd.com for stakeholders information.

FAMILIARISATION PROGRAMMES ORGANISED BY THE COMPANY DURING THE FINANCIAL YEAR 2022-23 AND CUMULATIVE FROM 1ST APRIL 2016 UPTO March 31, 2023.

Particulars	During the Financial Year 2022-2023	Cumulative from April 01, 2016
Number of familiarization programmes organized by the Company	1 hour	10
Time spent by the independent directors in such programmes in the aggregate	3 hours	14 hours





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FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS HELD ON THURSDAY, THE JANUARY 18, 2024

In terms of Regulation 25(2) and 25(7) of SEBI(LODR) Regulations, 2015, Independent Directors have to attend the Orientation Programme which, inter-alia, states, the details of the training and familiarization programme provided in the Corporate Governance Report. The company has been taking steps to familiarize the Independent Directors with the latest development in the company so that they also keep themselves updated.

The company to meet SEBI(LODR) Requirements arranged a meeting of the Independent Directors on January 18, 2024 to evaluate the performance of the Chairman, Executive Directors and more importantly how far effective is their contribution in the guidance /support to the management as and when required.

Orientation programme has also been provided by the company for the Independent Directors to provide and overview the business operations of the company. Role & liability, their responsibilities were also once again brought to the notice so that they should be fully aware of their duties and responsibilities while dealing with the company. Mr. Dinesh Agnani, who has been appointed as Non Executive Independent Director. Sh. Arun Mitter, Executive Director on behalf of the Chairman & Sh. M.K. Madan, familiarized Mr. Dinesh Agnani about the strategy, operations and functions of the company. He was also explained about the latest regulatory changes. Mr. Dinesh Agnani, inter-acted with the Senior Management Personnel ; KMP, Directors to clear his doubt about the company's functioning.

As per Regulation 46(2)(i) of LODR Regulations Listed entity is mandatory required to disclose the details,, on the website of the company, of familiarization programmes imparted to Independent Directors including the following details:-

- i) Number of Programme attended by each Independent Director (during the year and on a cumulative basis till date).
- ii) Number of hours spent by Independent Director in such programs (during the year and on a cumulative basis) and
- iii) Other relevant details.





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In compliance of Regulation 25(7) of SEBI Listing Regulations, 2015 read with Schedule IV of the Companies Act, 2013 & in continuity of corporate policy, the company last carried out Familiarization Programme for the Independent Directors on March 15, 2023.

Mr. Praveen Jain, Senior Partner, Statutory Auditors joined the meeting along with his partners, Mr. Pawan Kumar and Mr. Santosh Jha, to discuss various issues including Company's GST.

Mr. Praveen Jain also discussed about the digitalization transformation. He further apprised the benefit of digitalization included cost cutting and customer's satisfaction. Mr. Bharat Kumar, Chairman of the Meeting on behalf of his colleagues thanked the members.

It was informed that Familiarization Programme Policy for Independent Director is already uploaded on the company's website www.mgf ltd.com for stakeholders information.

FAMILIARISATION PROGRAMME ORGANISED BY THE COMPANY DURING THE FINANCIAL YEAR 2023-2024

Particulars	During Financial Year 2023-24	Cumulative from April 1, 2016
Number of Familiarization Programme organized by the company	1 hour	14 hours
Time spent by the Independent Directors in such programmes in the aggregate	1 hour	16 hours

