

## **TATIA GLOBAL VENNTURE LIMITED**

### **CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

#### **1. PREAMBLE**

- 1.1** This Code of Business Conduct ("Code") shall be called "The Code of Conduct for Board of Directors and Senior Management Personnel" of Tatia Global Vennture Limited (the "Company" or "TGVL"). The Code envisages that the Board of Directors and Senior Management Personnel must act within the authority conferred upon them and with a duty to make and keep themselves informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled.
- 1.2** The Code is intended to maintain the high standards of transparency, business conduct ethics, corporate culture, and values. The Code is also to act as a deterrent from unethical doings and to promote ethical values and is the manifestation of the Company's commitment to the successful operation of the Company's business in the best interest of the shareholders, creditors, employees, and other business associates.
- 1.3** The principles embodied in this Code lay down broad standards of compliance and ethics, as required by Regulation 17(5) and Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") and any other applicable provisions, for the time being in force, with the Stock Exchange(s) where securities of the Company are listed.

#### **2. DEFINITIONS AND INTERPRETATIONS**

- 2.1** Unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

"**Board**" shall mean the Board of Directors of the Company.

"**Directors**" shall mean Directors on the Board.



"**Company**" shall mean Tatia Global Vennture Limited.

"**Compliance Officer**" shall mean the Company Secretary of the Company.

"**Relative**" shall mean 'relative' as defined in Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of Definition Details) Rules, 2014 as reproduced in Annexure-I hereto.

"**Senior Management Personnel**" shall mean personnel of the Company who are members of its core management team (excluding Board of Directors) and who occupy the position of chiefs/ group heads/ heads of various functions in the Company (i.e. all members of management one level below the executive directors, including all functional heads).

**2.2** In this Code, words importing masculine shall include feminine, and words importing singular shall include the plural or vice versa.

### **3. APPLICABILITY**

The Code applies to the Board of Directors and Senior Management Personnel of the Company.

### **4. CONDUCT SPECIFICATIONS**

#### **4.1 Honesty and Integrity**

- a) All Directors and Senior Management Personnel shall conduct their activities, on behalf of the Company and their behalf, with honesty, integrity, and fairness.
- b) All Directors and Senior Management Personnel shall act on a fully informed basis, in good faith, responsibility, due diligence and care, competence and diligence, without allowing their independent judgment to be subordinated and in the best interest of the Company and the shareholders.
- c) All Directors and Senior Management Personnel shall discharge their duties in the best interests of the Company and fulfill their fiduciary obligations.



- d) Directors and Senior Management Personnel shall not engage in activities that are dishonest or lacking in integrity such as, inter alia, the following:
  - (i) issuing untrue, misleading, deceptive, or fraudulent statements regarding the Company's products and services;
  - (ii) stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by employees of other companies;
  - (iii) adoption of illegal means for increasing profit/ market share;
  - (iv) indulging in bribery; and
  - (v) unfair inducement to any Government Official.
- e) Directors and Senior Management Personnel should be able to commit themselves effectively to their responsibilities.

#### **4.2 Financial Reporting and Records**

- a) The Company shall prepare and maintain its financial statements fairly and accurately in accordance with the applicable laws and accounting standards.
- b) Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be accessible to Company's Auditors and other authorized parties.
- c) Any willful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as a violation of the Code.
- d) Failure by the concerned persons to comply with clause 4.2 of the Code shall be deemed to be a violation of the Code and would be subject to appropriate action by the Board in terms of clause 7 of the Code.

#### **4.3 Conflict of Interest**

- a) Directors and Senior Management Personnel of the Company shall not enter into any transactions, which are or are likely to be in conflict with the interest of the Company save exceptional circumstances where prior approval of the Board would be required.



- b) Directors and the Senior Management Personnel should disclose to the Board whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.
- c) Directors and Senior Management Personnel shall not exploit for their gain, opportunities that are discovered through the use of corporate property, information, or position unless the opportunity is disclosed fully in writing to the Board and the Board declines to pursue such opportunity for the Company.
- d) All transactions having a conflict of interest should be carried out in accordance with law and be fully disclosed to the Board and, upon a decision being taken in the matter, the person concerned will be required to take the necessary action as advised to resolve/avoid the conflict.
- e) If the Director or Senior Management Personnel fails to disclose as required herein, and the Board of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the concerned person, the Board would take a serious view of the matter and consider suitable disciplinary action against the person concerned.
- f) Conflicts mentioned in this clause can arise in many situations. A conflict of interest, actual or potential, may arise inter alia where, directly or indirectly:
  - (i) the person engages in a business, relationship, or activity that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the interests of the Company;
  - (ii) the person is in a position to derive a personal benefit or a benefit to any of his or her relatives by making or influencing decisions relating to any transaction; or
  - (iii) an independent judgment of the Company's best interest cannot be exercised.
- g) The Directors and Senior Management Personnel should facilitate the Independent Directors to perform their role effectively as a Board Member and also as a Member of any Committee of the Board.



Conflict of interest would be deemed to exist in the following circumstances:

- (i) Financial interest of the person or his relatives, including the holding of an investment to an extent of 2% or more in the subscribed share capital of any company or share to an extent of 2% or more in any firm which is an actual or potential competitor, joint venture or another alliance partner, or a material supplier, customer, distributor or other person having a material business relationship with the Company;
  - (ii) The person conducting business on behalf of the Company, or being in a position to influence a decision concerning the Company's business with a supplier or customer of which his or her relative is a principal officer or representative, resulting in a benefit to him/her or his/her relative;
  - (iii) Award of benefits such as an increase in salary or other remuneration, posting, promotion, or recruitment of a relative of the person, where such an individual is in a position to influence the decision concerning such benefits;
  - (iv) Acceptance of gifts, donations, hospitality, and/or entertainment beyond the customary level from existing or potential suppliers, customers, or other third parties which have business dealings with the Company;
  - (v) Acceptance by Director(s)/Senior Management Personnel of any directorship/assignment in a company or organization that competes with or is a potential competitor of the Company.
- h) If a proposed transaction or situation raises any question or doubts to any Director/Senior Management Personnel, such Director/Senior Management Personnel should consult the Compliance Officer.
- i) A Director shall not be a member in more than ten committees or act as Chairman of more than five committees across all companies in which he is a director. Furthermore, every Director shall inform the company about the committee positions he occupies in other companies and notify changes as and when they take place.

***Explanation:***



- (i) To consider the limit of the committees on which a director can serve, all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013 shall be excluded.
- (ii) To reckon the limit under this sub-clause, Chairmanship/membership of the Audit Committee and the Stakeholders Relationship Committee alone shall be considered.

#### **4.4 Compliance with Laws, Rules, and Regulations**

Directors and Senior Management Personnel are required to comply with all applicable laws, rules, and regulations, both in letter and spirit.

To assist the Company in promoting lawful and ethical behavior, Directors and Senior Management Personnel must report to the Compliance Officer any possible violation of law, rules and regulations of this Code.

The Independent Directors shall be required to comply with Schedule IV of the Companies Act, 2013 including their duties laid therein as under:

1. undertake appropriate induction and regularly update and refresh their skills, knowledge, and familiarity with the company;
2. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3. strive to attend all meetings of the Board of Directors and of the Board or Committee of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the company;
6. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board Meeting;
7. keep themselves well informed about the Company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or Committee



of the Board;

9. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
10. ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the Company, shareholders, and its employees;
13. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

#### **4.5 Company Meetings**

The Directors should attend the Board/General Meetings comprehending the agenda of the Meeting circulated to them. They are required to make a concerted effort to attend all the Board Meetings scheduled in the year. The Directors shall participate actively and constructively in the discussions of the Board and shall follow the guidelines agreed on by the Board regarding how it will govern and conduct itself.

#### **4.6 Other Directorships – Disclosures**

The Directors should promptly disclose their appointment/cessation from the directorship of other companies.

#### **4.7 Related Party Disclosures**

The Directors and Senior Management Personnel shall disclose to the Company concerning any transaction with the Company in which such person is interested and in respect of which a conflict of interest can arise between the Company and the person concerned including the name of the related party and the nature of the relationship.

Such disclosure shall be in accordance with the Companies Act, 2013 and the Indian



Accounting Standard (IND AS) 24 issued by the council of the Institute of Chartered Accountants of India in respect of "Related Party Disclosures", the copy of IND AS (24) is enclosed as Annexure-II hereto.

#### **4.8 Transparency and Confidentiality of Information**

The Directors and Senior Management Personnel should conduct themselves to meet the expectations of operational transparency to stakeholders while at the same time maintaining the confidentiality of information to foster a culture for good decision-making:

- a) "Confidential information" includes all information of the Company not authorized by the Management of the Company for public dissemination. This includes information on trade, trade secrets, confidential and privileged information regarding customers, employees, information relating to mergers and acquisitions, stock splits and divestiture, non-public information about discussions and deliberations relating to business issues and decisions, between and among employees, officers, and Directors in a formal meeting or otherwise and should include all information in respect of the Company which is not available in the public domain at that point of time. Any information concerning the Company's business, its customers, suppliers, etc., which is not in the public domain and to which Directors and Senior Management Personnel have access or which is possessed by them by virtue of their position/status in the Company must be considered confidential information.
- b) All confidential information must be held in confidence unless:
  - (i) authorized by the Board or otherwise permissible in accordance with this Code;
  - (ii) the same is part of the public domain at the time of disclosure; or
  - (iii) is required to be disclosed in accordance with applicable laws.
- c) The Directors and Senior Management Personnel shall ensure that confidential information is not disclosed inadvertently or otherwise except in compliance with this Code.
- d) Any disclosure shall at all times be in compliance with the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. ("Disclosures Code").

#### **4.9 Interaction with Media, Financial Community, Employees, and Shareholders**



- a) All information that the Directors and Senior Management Personnel may provide either formally or informally, to the press or any other publicity media, shall be as per the Disclosures Code. In all its public appearance concerning disclosing information about the Company's activities to public constituencies such as the media, the financial community, employees, and shareholders, the Company shall be represented only by specifically authorized Directors and/or employees, which the Board may authorize. The list of such authorized Directors and employees of the Company shall be notified to the Directors/Senior Management Personnel from time to time.
- b) All statements made to the media on behalf of the Company should be true and fair.
- c) For any outside publication of books, articles, or manuscripts which relate specifically to the Company's business, policies, and processes, Directors/Senior Management Personnel should take the approval of the Board before its release. All such documents should be supplemented by a statement to the effect that all views and observations made in the article/presentation are solely that of the author's and the Company is in no way responsible for the substance, veracity, or truthfulness of such views and statements.

#### **4.10 Insider Trading**

- a) For any outside publication of books, articles, or manuscripts that relate specifically to the Company's business, policies, and processes, Directors/Senior Management Personnel should take the approval of the Board before its release. All such documents should be supplemented by a statement to the effect that all views and observations made in the article/presentation are solely that of the author's and the Company is in no way responsible for the substance, veracity, or truthfulness of such views and statements.
- b) All Directors and Senior Management Personnel should comply with 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' in shares of the Company' circulated by the Company and all insider-trading guidelines issued by the Securities and Exchange Board of India.



#### **4.11 Internal Control System**

Directors and Senior Management Personnel should maintain and should cause the Company to maintain a proper and adequate system of internal controls for financial reporting.

#### **4.12 Corporate Governance**

Directors and Senior Management Personnel should sincerely follow and should cause the Company to follow the philosophy of good corporate governance by possessing strong business fundamentals and delivering high performance through a relentless focus on transparency, accountability, professionalization, and corporate social responsibility for enhancing shareholders' value and contributing to society at large.

#### **4.13 Human Resources / Employee Relations**

- a) Directors and Senior Management Personnel should strive for causing the Company to maintain cordial employee relations.
- b) Executive Directors and Senior Management Personnel should cause the Company to build competency-based human resource systems and maintain human resources policy that has been directed at managing the growth of the organization efficiently.
- c) Executive Directors and Senior Management Personnel should assist the Company in further aligning its human resource policies, processes, and initiatives to meet its business needs.

#### **4.14 Respect for the Individual**

- a) The Company's vision is based on inspiring and developing outstanding people. This will only be possible in an environment where we all respect the rights of those around us.
- b) Executive Directors and Senior Management Personnel should ensure that:
  - (i) Subject to compliance with applicable laws regarding positive discrimination, individuals in all aspects of employment are not discriminated against based on race, religion, color, age, disability, gender, sexual orientation, or marital



status, and the sole criterion for recognition within the Company be that of work performance.

- (ii) Racial, sexual, or any other kind of harassment is not tolerated within the Company.
- (iii) Personal beliefs of individuals are respected and that Company specifically disassociates itself from any activity, which challenges our commitment to cultural diversity and equal opportunities.

#### **4.15 Health, Safety, and Environment**

- a) Executive Directors and Senior Management Personnel should cause the Company to strive to provide a safe and healthy working environment and comply, in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment of the territory it operates in. The Company should be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use, and disposal of any of its products and services on the ecological environment in accordance with the applicable laws.
- b) Executive Directors and Senior Management Personnel should ensure that the Company adopts the most efficient energy management system, prevention of energy waste, and utilization of natural resources in all plants.

#### **4.16 Quality of Products and Services**

Executive Directors and Senior Management Personnel should ensure that the Company is committed to supplying products and services of the highest quality standards backed by efficient after-sales service consistent with the requirements of the customers to ensure their total satisfaction.

#### **4.17 Shareholders**

Directors and Senior Management Personnel shall be committed to enhancing shareholder value and ensuring that the Company complies with all regulations and laws that govern shareholders' rights. Directors and Senior Management Personnel should cause the Board to duly and fairly inform its shareholders about all relevant aspects of the Company's business and disclose such information in accordance with



the respective regulations and agreements.

**5. AFFIRMATION WITH THE CODE**

**5.1** All Directors and Senior Management Personnel should sign the acknowledgment form annexed as Annexure- III hereto and return the form to the Compliance Officer indicating that they have received, read and understood, and agree to comply with the Code.

**5.2** All Directors and Senior Management Personnel shall affirm compliance with the Code on an annual basis, within 30 days of the close of every financial year to the Compliance Officer, in the form annexed hereto as Annexure-IV hereto. The Company's Annual Report shall contain a declaration to this effect signed by the Chief Executive Officer.

**6. COMPLIANCE OFFICER**

The Company Secretary shall act as Compliance Officer for the Code, who shall be available to Directors and Senior Management Personnel to help them to comply with the Code.

**7. VIOLATION OF CODE**

It shall be the duty of Directors and Senior Management Personnel to help the enforcement of the Code and any breach if communicated/noticed is to be reported to the Board. In case of breach of this Code by Directors and Senior Management Personnel, the same shall be considered by the Board for initiating appropriate action including disciplinary action such as termination of employment, suspension, and/or penalty, as deemed necessary.

**8. COMPLIANCE WITH THE CODE**

**8.1** The Code does not specifically address every potential form of unacceptable conduct and it is expected that the Directors / Senior Management Personnel will exercise good judgment in compliance with the principles set out in the Code. Directors and the Senior Management Personnel have a duty to avoid any circumstances that would violate the letter or spirit of the Code.

**8.2** In case of any doubt as to the course of action to be taken, it may be considered as



to whether the action would be legal, ethical and whether it would cause a negative perception of the Company.

**9. AMENDMENT**

The provisions of this Code can be amended/modified by the Board from time to time and all such amendments/modifications shall take effect from the date stated therein. All Directors and Senior Management Personnel shall be duly informed of such amendments and modifications.

**10. WEBSITE**

Pursuant to Regulation 46 of the Listing Regulations, this Code and any amendments thereto shall be posted on the website of the Company.



**ANNEXURE – I - MEANING OF “RELATIVE”**

**Extract of Section 2(77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definition) Rules, 2014**

**Section 2(77) :**

“Relative” with reference to any person, means anyone who is related to another if -

- (i) they are members of a Hindu undivided family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manners as may be prescribed.

**RULE 4:**

A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:

- (1) Father:  
Provided that the term “Father” includes step-father.
- (2) Mother  
Provided that the term “Mother” includes step-mother.
- (3) Son:  
Provided that the term “Son” includes step-son.
- (4) Son’s wife.
- (5) Daughter.
- (6) Daughter’s husband.
- (7) Brother:  
Provided that the term “Brother” includes step-brother.
- (8) Sister:  
Provided that the term “Sister” includes step-sister.



## **ANNEXURE – II**

### **Indian Accounting Standards (IND AS) 24**

#### **Related Party Disclosures**

*(In this Accounting Standard, the standard portions have been set in bold italic type. These should be read in the context of the background material which has been set in normal type, and in the context of the 'Preface to the Statements of Accounting Standards'.)*

The following is the text of Indian Accounting Standard (IND AS) 24, 'Related Party Disclosures', issued by the Council of the Institute of Chartered Accountants of India. This Standard comes into effect in respect of accounting periods commencing on or after 1-4-2016 and is mandatory.

#### **Objective**

The objective of this standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

#### **Scope**

1. This Standard shall be applied in:
  - (a) identifying related party relationships and transactions;
  - (b) identifying outstanding balances, including commitments, between an entity and its related parties;
  - (c) identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
  - (d) determining the disclosures to be made about those items.
2. This Standard requires disclosure of related party relationships, transactions, and outstanding balances, including commitments, in the consolidated and separate financial statements of a parent, venturer, or investor presented in accordance with Indian Accounting Standard (Ind AS) 27 *Consolidated and Separate Financial Statements*. This Standard also applies to individual financial statements.
3. Related party transactions and outstanding with other entities in a group are disclosed in an



entity's financial statements. Intra-group related party transactions and outstanding balances are eliminated in the preparation of consolidated financial statements of the group.

- 3A. Related party disclosure requirements as laid down in this Standard do not apply in circumstances where providing such disclosures would conflict with the reporting entity's duties of confidentiality as specifically required in terms of a statute or by any regulator or similar competent authority.
- 3B. In case a statute or a regulator or a similar competent authority governing an entity prohibits the entity to disclose certain information which is required to be disclosed as per this Standard, disclosure of such information is not warranted. For example, banks are obliged by law to maintain confidentiality in respect of their customers' transactions and this Standard would not override the obligation to preserve the confidentiality of customers' dealings.

## **PURPOSE OF RELATED PARTY DISCLOSURE**

- 4. Related party relationships are a normal feature of commerce and business. For example, entities frequently carry on parts of their activities through subsidiaries, joint ventures, and associates. In those circumstances, the entity has the ability to affect the financial and operating policies of the investee through the presence of control, joint control or significant influence.
- 5. A related party relationship could have an effect on the profit or loss and financial position of an entity. Related parties may enter into transactions that unrelated parties would not. For example, an entity that sells goods to its parent at cost might not sell on those terms to another customer. Also, transactions between related parties may not be made at the same amounts as between unrelated parties.
- 6. The profit or loss and financial position of an entity may be affected by a related party relationship even if related party transactions do not occur. The mere existence of the relationship may be sufficient to affect the transactions of the entity with other parties. For example, a subsidiary may terminate relations with a trading partner on the acquisition by the parent of a fellow subsidiary engaged in the same activity as the former trading partner. Alternatively, one party may refrain from acting because of the significant influence of



another—for example, a subsidiary may be instructed by its parent not to engage in research and development.

7. For these reasons, knowledge of an entity's transactions, outstanding balances, including commitments, and relationships with related parties may affect assessments of its operations by users of financial statements, including assessments of the risks and opportunities facing the entity.

## DEFINITIONS

The following terms are used in this standard with the meaning specified:

8. A ***related party*** is a person or entity that is related to the entity that is preparing its financial statements (in this standard referred to as the 'reporting entity'):
  - a) A person or a close member of that person's family is related to the reporting entity if that person:
    - (i) Has control or joint control over the reporting entity;
    - (ii) Has significant influence over the reporting entity; or
    - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
  - b) An entity is related to a reporting entity if any of the following conditions apply:
    - (i) The entity or the reporting entity are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others).
    - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
    - (iii) Both entities are a joint ventures of the same third party.
    - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
    - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employees are also related



to the reporting entity.

- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

9. A ***related party transaction*** is a transfer of resources, services, or obligations between a reporting entity and a related party, regardless of whether a price is charged.
10. ***Close members of the family of a person*** are the persons specified within the meaning of 'relative' under the Companies Act 1956 and that person's domestic partner, children of that person's domestic partner, and dependents of that person's domestic partner.
11. ***Compensation*** includes all employee benefits (as defined in Ind AS 19 *Employee Benefits*) including employee benefits to which Ind AS 102 *Share-based Payments* applies. Employee benefits are all forms of consideration paid, payable, or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Compensation includes:
- a) Short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, profit-sharing and bonuses (if payable within twelve months of the end of the period), and non-monetary benefits (such as medical care, housing, cars, and free or subsidized goods or services) for current employees;
  - b) post-employment benefits such as pensions, other retirement benefits, post-employment life insurance, and post-employment medical care;
  - c) other long-term employee benefits, including long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the period, profit-sharing, bonuses, and deferred compensation;
  - d) termination benefits; and



- e) share-based payment.
12. **Control** is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
13. **Joint Control** is the contractually agreed sharing of control over an economic activity.
14. **Key Management Personnel** are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether exclusive or otherwise) of that entity.
15. **Significant Influence** is the power to participate in the financial and operating policy decisions of an entity but is not in control over those policies. Significant influence may be gained by share ownership, statute, or agreement.
16. **Government** refers to government, government agencies, and similar bodies whether local, national, or international.
17. A **government-related entity** is an entity that is controlled, jointly controlled, or significantly influenced by a government.
18. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.
19. In the context of this Standard, the following are not related parties:
- a) two entities simply because they have a director or other member of key management personnel in common or because a member of key management personnel of one entity has significant influence over the other entity.
  - b) two venturers simply because they share joint control over a joint venture.
  - c) Providers of finance, trade union, public utilities and departments and agencies of a government that does not control, jointly control or significantly influence the



reporting entity, simply by virtue of their normal dealings with an entity (even though they may affect the freedom of action of an entity or participate in its decision-making process).

- d) A customer, supplier, franchisor, distributor, or general agent with whom an entity transacts a significant volume of business, simply by virtue of the resulting economic dependence.
20. In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture. Therefore, for example, an associate's subsidiary and the investor that has significant influence over the associate are related to each other.

## DISCLOSURES

21. Relationships between a parent and its subsidiaries shall be disclosed irrespective of whether there have been transactions between them. An entity shall disclose the name of its parent and, if different, the ultimate controlling party. If neither the entity's parent nor the ultimate controlling party produces consolidated financial statements available for public use, the name of the next most senior parent that does so shall also be disclosed.
22. To enable users of financial statements to form a view about the effects of related party relationships on an entity, it is appropriate to disclose the related party relationship when control exists, irrespective of whether there have been transactions between the related parties. This is because the existence of a control relationship may prevent the reporting entity from being independent in making its financial and operating decisions. The disclosure of the name of the related party and the nature of the related party relationship where control exists may sometimes be at least as relevant in appraising an entity's prospects as are the operating results and the financial position presented in its financial statements. Such a related party may establish the entity's credit standing, determine the source and price of its raw materials, and determine to whom and at what price the product is sold.
23. The requirement to disclose related party relationships between a parent and its subsidiaries is in addition to the disclosure requirements in Ind AS 27 *Consolidated and Separate Financial Statements*, Ind AS 28 *Investments in Associates*, and Ind AS 31 *Interests in Joint Ventures*.



24. Paragraph 13 refers to the next most senior parent. This is the first parent in the group above the immediate parent that produces consolidated financial statements available for public use.
25. An entity shall disclose key management personnel compensation in total and for each of the following categories:

Short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits, and share-based payment.

26. If an entity has had related party transactions during the periods covered by the financial statements, it shall disclose the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements. These disclosure requirements are in addition to those in paragraph 17. At a minimum, disclosures shall include:
- a) The amount of the transactions;
  - b) The amount of outstanding balances including commitments;
  - c) Their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in the settlement;
  - d) Details of any guarantee given or received;
  - e) Provisions for doubtful debts related to the amount of outstanding balances;
  - f) The expense recognized during the period in respect of bad or doubtful debts due from related parties.
27. The disclosures required by paragraph 18 shall be made separately for each of the following categories:
- a) The parents;
  - b) Entities with joint control or significant influence over the entity;
  - c) Subsidiaries;
  - d) Associates;
  - e) Joint Ventures in which the entity is a venturer;
  - f) Key management personnel of the entity or its parents;



- g) And other related parties.
28. The classification of amounts payable to, and receivable from, related parties in the different categories as required in paragraph 19 is an extension of the disclosure requirement in Ind AS 1 *Presentation of Financial Statements* for information to be presented either in the balance sheet or in the notes. The categories are extended to provide a more comprehensive analysis of related party balances and apply to related party transactions.
29. The following are examples of transactions that are disclosed if they are a related party:
- a) Purchases or sales of goods (finished or unfinished);
  - b) Purchases and sale of property and other assets;
  - c) Rendering and receiving of services;
  - d) Leases;
  - e) Transfer of research and development;
  - f) Transfers under a license agreement;
  - g) Transfers under finance agreements (including loans and equity contributions in cash or in-kind);
  - h) Provision of guarantees or collateral;
  - i) Commitments to do something if a particular event occurs or does not occur in the future, including executory contracts (recognized and unrecognized);
  - j) Settlement of liabilities on behalf of the entity or by the entity on behalf of that related party;
  - k) Management contracts including for deputation of employees.
30. Participation by a parent or subsidiary in a defined benefit plan that shares risks between group entities is a transaction between related parties. (see paragraph 34B of Ind AS 19).
31. Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.
32. Items of a similar nature may be disclosed in aggregate except when separate disclosure is necessary for an understanding of the effects of related party transactions on the financial statements of the entity.



32A. Disclosure of details of particular transactions with individual-related parties would frequently be too voluminous to be easily understood. Accordingly, items of a similar nature may be disclosed in aggregate by type of related party. However, this is not done in such a way as to obscure the importance of significant transactions. Hence, purchases or sales of goods are not aggregated with purchases or sales of fixed assets. Nor a material-related party transaction with an individual party is clubbed in an aggregated disclosure.



**ANNEXURE-III**

**TATIA GLOBAL VENNTURE LIMITED**

New No. 29, Old No. 12, II Floor, Mookathal Street,  
Purasawalkam, Chennai, Tamil Nadu– 600 007

**CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT  
PERSONNEL**

**ACKNOWLEDGEMENT**

I, \_\_\_\_\_, have received and read the Company's CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL (the 'Code'). I have understood the provisions and policies contained in the Code and I agree to comply with the Code.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_



**ANNEXURE-IV**

**TATIA GLOBAL VENNTURE LIMITED**

New No. 29, Old No. 12, II Floor, Mookathal Street,  
Purasawalkam, Chennai, Tamil Nadu– 600 007

**CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT  
PERSONNEL**

**ANNUAL AFFIRMATION**

I, \_\_\_\_\_, do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL during the financial year ended March 31, \_\_\_\_\_.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

