

POLICY ON RELATED PARTY TRANSACTIONS
AND
MATERIALITY OF RELATED PARTY
TRANSACTIONS

(UPDATED ON 26.05.2025)



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1. **SCOPE AND PURPOSE OF THE POLICY**

Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 (the “*Act*”) read with rules framed thereunder, Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “*listing regulations*”) and as amended from time to time, Accounting Standards AS-18, Indian Accounting Standards AS-24 and SEBI circular no. SEBI/HO/CFD-Pod-2/P/CIR/2025/18 which provides for Industry Standards on “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transactions” and other circulars issued from time to time, Tatia Global Vennture Limited (the “*Company*”) has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

In the light of the above, the Board of Directors of the Company has framed this Policy on Related Party Transactions (the “*Policy*”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee will review and amend the Policy, as and when required, subject to adoption by the Board.

The related party transactions as defined in this policy that are executed by the company from time to time are subject to review in accordance with the amendments in the current law.

This updated policy is being recommended by Audit Committee in its meeting held on May 26, 2025 and approved by Board of Directors in its meeting held on May 26, 2025.

2. **OBJECTIVE OF THE POLICY**

Regulation 23(1) of the Listing Regulations, mandates that all listed companies formulate a policy on materiality of related party transactions and also on dealing with Related Party Transactions, to ensure the proper approval and reporting of transactions between the Company or its subsidiaries and its Related Parties. The Company is required to make various disclosures of its related party transactions before the Board/Shareholders, as the case may be, and also disclose the same as required, in its Board Report, Financial Statements or any other documents as provided under law, on an annual basis and in the compliance report to be sent to the stock exchanges on quarterly basis. This Policy is also prepared for the identification and regulation of the Related Party Transactions keeping in view the provisions of the Companies Act, 2013 and the rules thereunder.

3. **DEFINITIONS**

3.1 “**Act**” means Companies Act, 2013 & rules made thereunder.

3.2 “**Arm’s Length Transaction**” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no question of conflict of



interest.

- 3.3 **“Audit Committee” or “Committee”** means Audit Committee constituted by the Board of Directors of the Company, from time to time, according to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.
- 3.4 **“Board of Director” or “Board”** means the Board of Directors of Tatia Global Vennture Limited, as constituted from time to time.
- 3.5 **“Company”** means Tatia Global Vennture Limited.
- 3.6 **“Control”** shall include the right to appoint the majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholder agreements or voting agreements or in any other manner.
- 3.7 **“Key Managerial Personnel”** shall have the same meaning as defined under Section 2(51) of the Companies Act, 2013 and includes –
- (a) the Chief Executive Officer or Managing Director or the Manager;
 - (b) the Company Secretary;
 - (c) the Whole-Time Director;
 - (d) the Chief Financial Officer;
 - (e) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (f) such other officer as may be prescribed under the Companies Act, 2013.
- 3.8 **“Listing Regulations”** implies the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto.
- 3.9 **“Material Related Party Transaction”** means a transaction with a related party where the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year, exceeds one thousand crore rupees or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.
- Exception: 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 five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

- 3.10 **“Material Modifications”** mean any modification in the existing related party transactions which amounts to any subsequent change to an existing Related Party Transaction, having variance of 10% or more of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
- 3.11 **“Policy”** means policy on related party transactions.
- 3.12 **“Related Party”** as defined under Regulation 2(1)(zb) of the Listing Regulations, Section 2(76) of the Companies Act, 2013, Accounting Standards AS-18 and Indian Accounting Standards Ind AS-24.
- 3.13 **“Related Party Transactions”** as defined under:
Regulation 2(1)(zc) of the Listing Regulations, a transaction involving a transfer of resources, services or obligations between:
- (i) listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
 - (ii) listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract:
- Provided that the following shall not be a related party transaction:
- (a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) the following corporate actions which are uniformly applicable or offered to all shareholders in proportion to their shareholding: i.e.
 - (i) payment of dividend;
 - (ii) subdivision or consolidation of securities;
 - (iii) issuance of securities by way of a rights issue or a bonus issue and
 - (iv) buy-back of securities.
 - (c) retail purchases from any listed entity or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors.

AND

as per **Section 188 of the Act**, shall mean contracts or arrangements with a related party with respect 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 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.

“Collectively, the related party transaction shall constitute the above.”

3.14 **“Relative”** as defined under Section 2(77) of the Companies Act, 2013 and rules prescribed thereunder and Regulation 2(1)(zd) of the Listing Regulations, with reference to any person, means who is related to another, if:

- a) They are members of a Hindu Undivided Family;
- b) They are husband and wife;
- c) One person is related to another in the following manner, namely:
 - i. Father includes step-father;
 - ii. Mother includes step-mother;
 - iii. Son includes step-son;
 - iv. Son's wife;
 - v. Daughter;
 - vi. Daughter's husband;
 - vii. Brother includes step-brother;
 - viii. Sister includes step-sister.

3.15 **“Transactions in the ordinary course of business”** means transactions / activities that are connected to or necessary for the business of the Company and satisfy the following principles:

- a) The transaction / activity is permitted under the Memorandum and the Articles of Association of the Company;
- b) The transaction / activity is carried on a frequent or regular basis or is as per the industry practice;
- c) The terms of the transaction/activity are similar to those which would be otherwise applicable to transactions with unrelated parties.

3.16 **“Unforeseen related party transaction”** means a related party transaction, where the need for such transaction cannot be foreseen, the details whereof necessary for seeking an omnibus approval of the Audit Committee are not available and the value of such transaction does not exceed Rupees one crore (Rs.1,00,00,000) per transaction.

3.17 **“Any other term not defined herein”** shall have the same meaning as defined in the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law or regulation and as amended from time to time.

4. IDENTIFICATION OF RELATED PARTY, RELATED PARTY TRANSACTIONS AND REAL TIME TRACKING OF RELATED PARTY TRANSACTIONS

4.1 Identification of Related Parties

Each Director and Key Managerial Personnel (KMP) is responsible for providing notice to the Board or Audit Committee regarding persons and entities to be considered as "related Party" by virtue of his/her being Director / KMP in the entity or holding a certain shareholding percentage. Such notice shall be provided to the Company at the time of appointment and whenever there is any change in the disclosures already made.

4.2 Identification of Related Party Transactions

Each Director and Key Managerial Personnel is responsible for providing notice to the Board / Audit Committee of any potential related party transaction involving him/her or his/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 constitute a related party transaction requiring compliance with this policy.

The Company Secretary shall maintain a database of Related Parties containing the names of individuals and companies identified based on the definition of Related Party and declaration provided by the Directors and Key Managerial Personnel. The list of Related Parties shall be updated whenever necessary and reviewed on a timely basis.

4.3 Real time tracking of Related Party Transactions

Securities Exchange Board of India (SEBI) also taken significant step on February 14, 2025 has created a dedicated portal for tracking of related party transactions and it will serve as a crucial resource for investors, banks and other stakeholders of the Company.

The link of the portal is: <https://rptanalysis.com>.

5. BIFURCATION OF RELATED PARTY TRANSACTIONS

The Related Party transactions are being bifurcated in the following categories:

- A. Material Related Party Transactions and Material modifications;
- B. Transaction(s) with a related party, where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed lower of the following:
 - (a) 2% of turnover, as per the last audited consolidated financial statements of the Company;
 - (b) 2% of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - (c) 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity.

6. AUDIT COMMITTEE APPROVAL FOR RELATED PARTY TRANSACTIONS

6.1 All related party transactions and subsequent material modifications shall require prior approval of the Audit Committee either at a meeting or by resolution by circulation.

Provided that only those members of the committee who are independent directors shall approve related party transactions.

6.2 Prior approval of the Audit Committee shall be required for all related party transactions except for the following:

- a) transactions between the Company and its wholly-owned subsidiary(ies) whose accounts are consolidated with the Company and placed before the shareholders at the general meeting of the Company for approval.
Provided that any of the above related party transaction which is not in the ordinary course of business or not at arm's length shall require prior approval of the Audit Committee.
- b) Unforeseen related party transactions.

The Audit Committee shall approve / ratify the transactions listed under points (a) and (b) above subsequently.

6.3 The Audit Committee shall have all rights to call for information / documents in order to understand the scope of the proposed related party transactions.

6.4 The Audit Committee may grant omnibus approval for the proposed related party transaction subject to the conditions given under clause 8 of this policy.

6.5 Where the Company enters into any related party transaction without prior approval, the members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions:

(i) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;

(ii) the transaction is not material;

(iii) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;

7. TRANSACTIONS REQUIRING SHAREHOLDER'S APPROVAL

7.1 All material related party transactions and subsequent modifications shall require approval of the Shareholders of the Company by way of a resolution passed at the general meeting of the Company, and no related party shall vote to approve such resolutions whether the entity is a party to the particular transaction or not.

7.2 All related party transactions which are not in the ordinary course of business or not at arm's length and which are in excess of the limits prescribed under the Act requiring the approval of Shareholders, shall require approval of the Shareholders by way of a resolution passed at the general meeting of the Company; and in such cases, the Related Party(ies) to the transaction shall abstain from voting on such resolution.

8. OMNIBUS APPROVAL BY AUDIT COMMITTEE

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

8.1 The Audit Committee, after obtaining approval of the Board, shall lay down the criteria for granting omnibus approval and the criteria shall include the following:

- The maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
- The maximum value per transaction allowed;
- Extent and manner of disclosures to be made to the Audit Committee while seeking such approval;
- Intervals (at least on a quarterly basis) at which Audit Committee shall review the omnibus approval given for related party transactions;
- Transactions which cannot be subject to omnibus approval.

- 8.2 The Audit Committee shall consider the following factors while specifying the criteria for omnibus approval:
- The repetitiveness of the transactions (in past or future);
 - Need for such omnibus approval;
 - Justification for the need for such omnibus approval.
- 8.3 The Audit Committee shall satisfy itself regarding the need for granting the omnibus approval and such approval is in the interest of the Company.
- 8.4 Following details shall be given in the omnibus approval:
- Name of the related party(ies);
 - Nature and period of the transaction;
 - The maximum number of transactions that can be entered into;
 - The indicative base price or current contracted price and the formula for variation in the price, if any;
 - Any other information as Audit Committee may deem fit.
- 8.5 Following transactions cannot be subjected to omnibus approval:
- Material related party transactions;
 - Related party transactions which are not in the ordinary course of business or not at arm's length price and require the approval of Board / Shareholders;
 - Transactions in respect of selling or disposing of the undertaking of the Company;
 - Transactions that are not repetitive in nature;
 - Any other transaction as the Audit Committee may deem fit.
- 8.6 Omnibus approval shall be valid for the period not exceeding one financial year and require fresh approval after the expiry of such financial year.
- 8.7 The Audit Committee shall review, at-least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.

9. DISCLOSURES

- 9.1 This policy shall be disclosed on the Company's website – www.tatia.co.in and the web link for the same shall be disclosed in the annual report of the Company.
- 9.2 All Directors / KMPs are required to disclose the entities in which they or their relatives are or deemed to be interested, in the prescribed form.

The related party transaction entered into with the related party (ies) shall be disclosed in the Directors Report / Annual Report as per the disclosure requirement of the Act and Regulation 34(3) read with Schedule V Part C Clause 10 of the Listing Regulations.

- 9.3 Adequate disclosure of all related party transactions shall be submitted to the stock exchanges in the format as specified by SEBI every six months within fifteen days from the date of publication of its standalone and consolidated financial results and copy of the same will be posted on the website of the Company. Further, details of all Material Related Party Transactions shall also be disclosed in accordance with Regulation 23 of the Listing Regulations.
- 9.4 The SEBI circular no. SEBI/HO/CFD-Pod-2/P/CIR/2025/18 on Industry Standards on “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transactions” provides for disclosure in the following manner:
- i. In case of Material Related Party transactions and subsequent modifications, Comprehensive disclosures have to be made as being mentioned under Para 4 of the Standards issued.
 - ii. Other RPT, but which is with promoter or promoter group or person/ entity in which promoter or promoter group has concern or interest in the following manner:
 - a) If exceeds the limits as provided under Clause 5B, Either it is balance sheet item or profit and loss item, then Comprehensive disclosures has to be made as being mentioned in the Standards issued.
 - b) If below the limits as provided under Clause 5B, if it is balance sheet item, then comprehensive disclosures to be made and if it is profit and loss item, then limited disclosures has to be made as being mentioned in the standards issued.
 - c) Residual related party transactions which are entered with related party individually or taken together with previous transactions during a financial year exceeding rupees one crore, then limited disclosures has to be made as being mentioned in the standards issued and if the value is less than rupees one crore rupees, then minimum disclosures has be made as being mentioned in the standards issued.

10. AMENDMENT AND REVIEW OF THE POLICY

- 10.1 The Board of Directors on its own and/or as per the recommendations of the Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the rules, regulations, notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.
- 10.2 The Company Secretary, being the Compliance Officer, is also authorized to amend this Policy, where any statutory changes are necessitating the amendment in the Policy.
- 10.3 The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and amplify the objective of good corporate governance.
- 10.4 The Policy shall be reviewed at least once in every three years or pursuant to any regulatory amendment or for any reason as deemed appropriate by the Audit Committee and the Board of the Company.

11. COMPLIANCE RESPONSIBILITY

Compliance with this Policy shall be the responsibility of the Audit Committee and Chief Financial Officer of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

12. LIMITATIONS

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

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