

# **TRIVENI GLASS LIMITED**

## **RELATED PARTY TRANSACTIONS POLICY**

“Modified w.r.t. the Sixth Amendment to the SEBI LODR Regulations dated 9th November, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021. These amendments shall be effective from April 1, 2022 unless otherwise specified.”

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## **1. Introduction**

Triveni Glass Limited is governed by the rules and regulations framed under Securities and Exchange Board of India (SEBI). SEBI has mandated every listed company to formulate a policy on Related Party Transactions (RPT) and also on dealing with Related Party Transactions.

- a. Accordingly, the company has formulated this policy on materiality of Related Party Transactions on dealing with Related Party Transactions, which regulates the transactions between company and its Related Parties.
- b. Further, the Board of Directors shall review the policy once in every three years and updated accordingly on the recommendation of the Audit Committee of the Company.

## **2. Purpose**

- a. To regulate all the transactions entered into between the Company and its related parties, with a view to ensure that rules and regulations which governs Related Party Transactions are complied with.
- b. To obtain necessary approvals of the Audit Committee/Board of Directors/Shareholders as may be necessary.

## **3. Definitions**

- a. "Act" shall mean the Companies Act, 2013 and includes any amendment thereof.
- b. "Arm's length transaction" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- c. "Material RPT"- means an RPT with thresholds as prescribed under the Listing Regulations.
- d. "Material Modifications": In relation to a Related Party Transaction approved by the Audit Committee or a material related party transaction approved by the Shareholders, as the case may be, material modifications means any variation having an impact on the monetary limits already approved by the Audit Committee or Shareholders, as the case may be, exceeding 20% of transactions, in each case, over and above the approved limits.
- e. "Policy" means this Policy, as amended from time to time.
- f. "Relative" means a relative as defined under the Companies Act, 2013 or rules made thereunder and LODR, as amended from time to time.

- g.** “Material Related Party Transaction” means a transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions with a Related Party during a financial year, exceeds Rupees One Thousand Crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Notwithstanding the above, 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 listed entity as per the last audited financial statements of the listed entity. “Ordinary Course of Business” means transaction will be considered in ordinary course if they are entered in the normal course of the business pursuant to the objects of the Company as per the Memorandum & Articles of the Company.

- h.** “Material Modifications”: In relation to a Related Party Transaction approved by the Audit Committee or a material related party transaction approved by the Shareholders, as the case may be, material modifications means any variation having an impact on the monetary limits already approved by the Audit Committee or Shareholders, as the case may be, exceeding 20% of transactions, in each case, over and above the approved limits.
- i.** “Relative” means a relative as defined under the Companies Act, 2013 or rules made thereunder and LODR, as amended from time to time.
- j.** “Related Party” means a related party as defined under the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standards, as amended from time to time. Provided that: (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or (b) any person or any entity, holding equity shares: (i) of twenty per cent or more; or (ii) of ten per cent or more, with effect from April 1, 2023; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party:”
- k.** “Related Party Transactions (RPT)” shall means any transaction between the Company and any Related Party for transfer of resources, services or obligations, regardless of whether a price is charged and includes 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; G. Underwriting the subscription of any securities or derivatives thereof, of the Company; H. Financing (including loans and equity contributions in cash or kind); I. Providing or obtaining guarantees and collaterals; and J. Deputation of employees. (The points set forth above are an indicative list and not an exhaustive one).

- l. "The Audit Committee or Committee" means Committee of Board of Directors of the Company constituted under the provisions of Companies Act, 2013 and Listing Obligations & Disclosure Requirements (LODR).
- m. "Transaction" with a related party shall be construed to include a single transaction or a group of transactions. Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI (LODR), Securities Contracts (Regulation) Act, 1956 or any other applicable law or regulation, including any amendment or modification thereof, as may be applicable.

## **4. Policy**

### **Approval of Related Party Transactions by the AC**

- a. All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the listed company.

Further, only those members of the audit committee who are independent directors, shall approve related party transactions.

- b. The Audit Committee of a listed entity shall define "material modifications" and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions.
- c. A related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the listed entity.
- d. With effect from 1<sup>st</sup> April, 2023, a related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary.
- e. The audit committee may grant omnibus approval for proposed related party transactions which are repetitive in nature.
- f. The audit committee shall review, atleast on a quarterly basis, the details of related party transactions entered into by the listed entity pursuant to each of the omnibus approvals given.
- g. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

### **Approval of Related Party Transactions by the Board and Shareholders:**

- a. No company shall enter into any contract or arrangement with a related party with respect to the transactions as specified under Section 188 of Companies Act 2013 except with the consent of the Board of Directors given by a resolution at a meeting of the board and subject to such conditions as may be prescribed.
- b. No contract or arrangement in the case of a company having a paid –up share capital of not less than such amount, or transactions exceeding such sums, as may be prescribed, shall be entered into except with the prior approval of the company by a resolution.  
Further no member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.
- c. The requirement of passing the resolution shall not be applicable for transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- d. All material related party transactions and subsequent material modifications as defined by the Audit Committee, shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.
  - The approval of the board shall not be required to any transactions entered into by the company in its ordinary course of business other than transactions which are not on arm lengths basis.
  - Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Audit Committee/Board/Shareholders and if it is not ratified by the Audit Committee/Board/Shareholders as the case may be, within three months from the date on which such contract or arrangement was entered into, such transaction or arrangement shall be voidable at the option of Audit Committee/Board/Shareholders and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

## **5. Disclosures**

- a. Every contract or arrangement entered into by the company shall be referred to in the Board's Report to the shareholders along with the justification for entering into such contract or arrangement.
- b. The listed entity shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the SEBI from time to time, and publish the same on its websites.
- c. The listed entity shall make such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results . Further the company shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results with effect from April 2023.
- d. This Policy will be uploaded on the website of the Company

