TAHMAR ENTERPRISES LIMITED
RELATED PARTY TRANSACTIONS POLICY

The Board of Directors (the "Board") of **Tahmar Enterprises Limited** (the "Company" or "TEL"), has adopted the following policy regarding materiality of related party transaction and also on dealing with Related Party Transactions in terms of Regulation 23 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Section 188 of Companies Act, 2013. The Board will review and may amend this policy from time to time.

- **Purpose**

The Objective of this Policy is to ensure that all Related Party Transactions ("RPT") entered into by the Company are reviewed and approved by the Audit Committee ("the Committee") in line with the requirements as prescribed under Companies Act, 2013 ("Act") and Rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI LODR") and amendments thereof. Additionally, this Policy also inter-alia contains the process for review and approval of material related party transactions.

- **Definitions**

1. **"Related Party"** shall have the meaning as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) SEBI Listing Regulations, 2015 and as may be amended
   from time to time
2. **"Related Party Transaction"** shall have the meaning as defined under Section 188 (1) of the Companies Act, 2013 and Regulation 2(1)(zc)of SEBI Listing Regulations, 2015.
3. **"Company Secretary"** means Company Secretary of Tahmar Enterprises Limited, who shall also acts as Secretary of the Audit Committee.
4. **"Relative"** as per Section 2(77) of Companies Act, 2013 means, with reference to any person, means anyone who is related to another, if

   - They are members of a Hindu Undivided Family
   - They are husband and wife

   Further as per Rule 4 of Companies (Specification of definition details) Rules, 2014, 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 including step-father
   (2) Mother including the step-mother
   (3) Son including the step-son
   (4) Son's wife
   (5) Daughter
   (6) Daughter's husband
   (7) Brother including the step-brother;

(8) Sister including the step-sister.

5. **"Committee"** shall mean the Audit Committee
6. **"Material Modification"** Means any amendment or modification to related party transaction contract affecting the following terms of the transaction/transactions
   •Value: Any upward change affecting the total value (consideration) of transaction/transactions entered into individually or group of transaction during the financial year with that related party.
   • Nature of transaction : Any change in the nature or type of transaction.
   • Tenure : Any change in tenure of the transaction by 20% or more of the original tenure already agreed upon not having any financial implication.
   • Change in parties, Novation: Any change in parties or novation of the contract or arrangement to a third party.
   In addition to the above, at its discretion, the Audit Committee may take cognizance of any modification in the existing related party transaction independently, as to whether it amounts to material modification or not and further issue directions.

7. **"Material Related Party Transaction"** Means a transaction with a Related Party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a Financial Year, exceeds the following thresholds:
   • In case of transactions involving payments made with respect to brand usage or royalty, if the amount exceeds five (5) percent of the annual consolidated turnover of the Company as per its last audited financial statements or
   • In case of any other transaction(s), if the amount exceeds rupees one thousand (1000) crore or ten (10) percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

   Explanation: "Turnover" means the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the Company during a Financial Year

8. **"Arms' Length Transaction(s)"**: Means
   a. a transaction between the Company and the Related Party that is conducted as if they were unrelated and
   b. a transaction where price applied or proposed to be applied has in no case been influenced by the relationship of the parties and the pricing is at arm's length as defined under Income- tax Act, 1961 as amended from time to time.

9. **"Ordinary Course of Business"** : Means a transaction wherein any of the following conditions are satisfied:
   a. is carried out in the normal course of business envisaged in accordance with the Memorandum of Association ('MOA') of the Company as amended from time to time, or
   b. meets other parameters/criteria as decided by the Board/Audit Committee, if any.

10. **"Key Managerial Personnel":** Means key managerial personnel, as defined under the Companies Act, 2013 from time to time and presently, means:-

a. the Chief Executive Officer or the Managing Director or the Manager;
b. the Company Secretary;
c. the whole-time director;
d. Chief Financial Officer;

- **Policy**

The Policy is intended to:

1. Identify all transactions which fall within the ambit of related party transactions both as per the provisions of SEBI (LODR), 2015, the Companies Act, 2013 and Rules made thereunder.
2. To prepare a complete list of related party transactions in the prescribed format.
3. To seek necessary approvals of the Audit Committee/Board/shareholders as may be necessary, after providing necessary information in the prescribed manner. While according such approval (s), the Related Party transactions are to be considered as appropriate if they are in the interest of the Company and other stockholders.
4. To make necessary disclosure in the Directors Report as well as on the website of the Company.

- **Identification of Potential Related Party Transactions**

Each Director and Key Managerial Personnel is responsible for providing notice to the Company Secretary of any potential Related Party Transaction involving him or her or his relative, including any additional information about the transaction that the Company Secretary or Chief Financial Officer may reasonably request. The Company Secretary or Chief Financial Officer in consultation with other members of management, as she/he deems appropriate, and as per existent laws , will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Company Secretary or Chief Financial Officer has adequate time to obtain and review information about the proposed transaction and to refer it to the Audit Committee for its prior approval in terms ofRegulation 23 of SEBI (LODR), 2015. . Ratification of a Related Party Transaction after 1st October, 2014 is not permitted. Any subsequent modification of transactions of the company with related parties will also require prior approval of Audit Committee.

- **Materiality of related party transaction**

All the material related party transactions whose aggregate value of transactions exceeds the following criteria shall require prior approval from the shareholders:

As per 23 (1) of SEBI (LODR), 2015, a transaction shall be considered **material** if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower..

Section 188 of Companies Act, 2013 and Rules made thereunder:

Sr No.	Nature Of Transaction	Threshold Limits
1	Sale, purchases or supply of any goods or materials, directly or through appointment of agent	10% or more of the turnover of the Company
2	Selling or otherwise disposing of, or buying property of any kind, directly or through appointment of agent	10% or more of the Networth of the Company
3	Leasing of property of any kind	10% or more of the turnover of the Company
4	Availing or rendering of any services, directly or through appointment of agent	10% or more of the turnover of the Company
5	For appointment to any office or place of profit in the Company	Monthly Remuneration Exceeding Rs. 2,50,000/-
6	Remuneration for underwriting the subscription of any securities or derivatives thereof, of the Company	Exceeding 1% of the Networth.

- **Review and approval process**

Approval of the Audit Committee:

All Related Party Transactions must be reported to the Company Secretary /Secretary of the Audit Committee, who in turn ,has to refer this to the said committee for its approval or ratification in accordance with provisions of the Companies Act and SEBI (LODR), 2015. Following transactions shall require prior approval of the Committee: 1. All RPTs and subsequent material modifications; and

Any RPTs in which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a Financial Year exceeds ten (10) percent of the annual consolidated turnover, as per the last audited Financial Statements of the Company.

Effective April 01, 2023, above sub-clause (ii) to be substituted, " Any RPT in which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a Financial Year exceeds ten (10) percent of the annual standalone turnover, as per the last audited Financial Statements of the subsidiary"

Approval of the Board:

Following transactions shall require approval of the Board:

1. RPTs not in the ordinary course of business or not at arm's length price

2. Material Related Party Transactions and subsequent material modifications

No director who is interested in any such contract or arrangement shall be present at the meeting during discussions on the subject matter of the resolution proposed for Board Approval.

Approval by the shareholders:

1. All Material Related Party Transactions and subsequent material modifications shall require prior 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.

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 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

- **Factors to be considered while dealing with Related Party Transactions**

In determining whether to approve or ratify a Related Party Transaction, the Committee or the Board will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

1. Whether the transaction with the Related Person is proposed to be entered into on terms no less favorable to the Company than terms that could have been reached with an unrelated third party;

2. The purpose of, and the potential benefits to the Company of, the transaction.

3. Whether the Related Party Transaction would effect the independence of an otherwise independent director ;

4. 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 direct or indirect nature of the director's or KMPs or their relatives' interest in the transaction and the ongoing nature of any proposed relationship and

5. any other factors the Committee deems relevant.

In any case where the Committee determines not to approve a Related Party Transaction, which comes for its approval, the Committee may direct modification of the transaction in a way to make it acceptable for approval. Further, the Committee will have authority to modify or waive any procedural requirements of this Policy.

- **Omnibus Approval :**

The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.

Such omnibus approval shall specify:

• the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,

• 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;

Provided that where the need for Related Party Transaction cannot be foreseen and above mentioned details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per transaction.

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.

Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

- **Disclosures**

Disclosures as appropriate concerning the Related Party Transactions and/or Material Related Party Transactions, as the case may be, shall be made in the Annual Report of the Company including its Financial Statements and also to the Stock Exchanges where equity shares of the Company are listed and to such other authority as may be prescribed under the applicable laws.