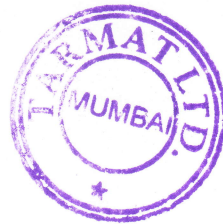




- AIRPORTS
- HIGHWAYS
- INFRASTRUCTURE
- RAILWAYS
- REAL ESTATE

TARMAT LIMITED

POLICY FOR GOVERNANCE OF RELATED PARTY TRANSACTIONS



TARMAT LIMITED

Policy adopted on 14.02.2023

TARMAT LIMITED

General A. K. Vaidya Marg, Near Wageshwari Mandir, Off Film City Road, Malad (E), Mumbai - 400 097.
Tel.: 2840 2130 / 1180 • Fax : 2840 0322 • Email : contact@tarmatlimited.com • Website : www.tarmatlimited.com
CIN : L45203MH1986PLC038535



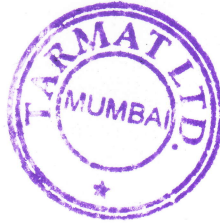
- AIRPORTS
- HIGHWAYS
- INFRASTRUCTURE
- RAILWAYS
- REAL ESTATE

TARMAT LIMITED

CIN: L45203MH1986PLC038535

Regd. Off: General A.K.Vaidya Marg, Near Wagheshwari Mandir, Malad(E)Mumbai 400097

Tel: 2840 2130 Email: cstarmat@gmail.com Website: www.tarmatlimited.com



TARMAT LIMITED

TARMAT LIMITED

General A. K. Vaidya Marg, Near Wagheshwari Mandir, Off Film City Road, Malad (E), Mumbai - 400 097.
Tel.: 2840 2130 / 1180 • Fax : 2840 0322 • Email : contact@tarmatlimited.com • Website : www.tarmatlimited.com

CIN : L45203MH1986PLC038535



- AIRPORTS
- HIGHWAYS
- INFRASTRUCTURE
- RAILWAYS
- REAL ESTATE

TARMAT LIMITED

POLICY FOR GOVERNANCE OF RELATED PARTY TRANSACTIONS

1. INTRODUCTION

TARMAT LIMITED ("the Company") understands and recognizes that certain relationships might present potential or actual conflicts of interest which may raise questions about whether transactions associated with such relationships are consistent with Company's and its stakeholders' best interests. The Company must specifically ensure that certain Related Party Transactions (as defined below) are managed and disclosed in accordance with the strict legal and accounting requirements to which the Company is subject.

The Company has always been committed to the best corporate governance practices and this Policy for Governance of Related Party Transactions ("the Policy") is prepared and amended for ensuring compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and such other regulatory provisions, as may be applicable from time to time.

2. OBJECTIVE

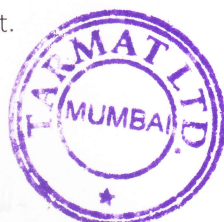
The Policy is adopted to ensure due and proper compliance with the applicable statutory provisions and to fortify that proper procedure is defined and followed for approval / ratification and reporting of transactions, if any, as applicable, between the Company and any of its Related Parties. The provisions of this Policy are designed to govern the transparency of approval process and disclosures requirements to accord fairness in the treatment of related party transactions.

3. DEFINITIONS AND INTERPRETATIONS

3.1. "Act" means the Companies Act, 2013, to the extent notified and the Companies Act, 1956, to the extent in force and rules made there under as amended from time to time.

3.2. "Associate Company" in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company or any entity which falls under the applicable accounting standards.

Explanation.—For the purposes of this clause- (a) the expression "significant influence" means control of at least twenty percent of total voting power, or control of or participation in business decisions under an agreement; (b) the expression "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.



TARMAT LIMITED

TARMAT LIMITED

General A. K. Vaidya Marg, Near Wageshwari Mandir, Off Film City Road, Malad (E), Mumbai - 400 097.
Tel.: 2840 2130 / 1180 • Fax : 2840 0322 • Email : contact@tarmatlimited.com • Website : www.tarmatlimited.com
CIN : L45203MH1986PLC038535

3.3. "Applicable Law" shall mean:

Sr. No.	Particulars	Section/Clause/ Regulations
1	Companies Act, 2013	Section 188 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time.
2	SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.	Regulation 23 and other points related to Related Party, as amended from time to time.
3	Indian Accounting Standard (IND AS)	IND AS 24

- 3.4. "Arm's Length Basis" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. For determination of Arm's Length basis, guidance may be taken from provisions of Transfer Pricing under Income Tax Act, 1961.
- 3.5. "Audit Committee" means a committee of the Board of Directors of the Company constituted under provisions of the Act and Listing Regulations.
- 3.6. "Board of Directors or Board" shall mean Board of Directors of the Company.
- 3.7. "Control" as defined under the Act includes the right to appoint 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 shareholders agreements or voting agreements or in any other manner.
- 3.8. "Holding Company" shall have the meaning as specified under Section 2(46) of the Companies Act, 2013.
- 3.9. "Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 3.10. "Key Managerial Personnel" shall have the same meaning as provided under Section 2(51) of the Companies Act, 2013.
- 3.11. "Material Related Party Transactions" means related party transactions as defined in the Explanation to the Regulation 23(1) of the Listing Regulations, which shall also include the contracts and arrangements as enumerated under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, which require the Shareholder's Approval.

Notwithstanding the above, any 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.

TARMAT LIMITED

TARMAT LIMITED



General A. K. Vaidya Marg, Near Wageshwari Mandir, Off Film City Road, Malad (E), Mumbai - 400 097.

Tel.: 2840 2130 / 1180 • Fax : 2840 0322 • Email : contact@tarmatlimited.com • Website : www.tarmatlimited.com

CIN : L45203MH1986PLC038535

- 3.12. "Ordinary Course of Business" means all such acts and transactions undertaken by the Company, including, but not limited to sale or purchase of goods, property or services, leases, transfers, providing of guarantees or collaterals, in the normal routine in managing trade or business and is permitted by the objects clause of the Memorandum of Association of the Company. The Company should take into account the frequency of the activity and its continuity carried out in a normal organized manner for determining what is in the ordinary course of business.
- 3.13. "Policy" means this Policy for Governance of Related Party Transactions.
- 3.14. "Related Party" means a party as defined in Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations.
- 3.15. "Related Party Transactions (RPT)" means the transactions as stated in Clause (a) to (g) of sub-section (1) of Section 188 of the Act and as further defined in Regulation 2(zc) of the Listing Regulations.
- 3.16. "Subsidiary Company" shall have the same meaning as specified under Section 2(87) of the Companies Act, 2013.

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Regulations or any other applicable law or regulation and as amended from time to time.

4. THE POLICY

All RPTs should be reported to the Audit Committee of the Company for approval, irrespective of its materiality. The Audit Committee shall also approve any subsequent modification of RPT's. The onus will be on Finance & Accounts (F&A) Head to refer RPT or potential RPT's to the Audit Committee for its assessment and approval. The Audit Committee while determining approval to an RPT, shall consider all the applicable provisions of laws, as amended from time to time, to ensure perfect compliance of laws.

The Company having several subsidiary companies, often contracts / arrangements with such subsidiary companies would result in RPT's. However, it is to be noted that these subsidiaries are formed for manufacturing and trading of Diamonds, etc. Therefore, the contracts / arrangements entered into with such subsidiary companies may be RPTs, however, they would be considered in the ordinary course of business itself.

Once such contracts / arrangements are approved by the Audit Committee, transactions arising out of the same would not be subject to further evaluation when they are executed. This process will be monitored by the F&A head holistically.



TARMAT LIMITED

TARMAT LIMITED

General A. K. Vaidya Marg, Near Wageshwari Mandir, Off Film City Road, Malad (E), Mumbai - 400 097.
Tel.: 2840 2130 / 1180 • Fax : 2840 0322 • Email : contact@tarmatlimited.com • Website : www.tarmatlimited.com
CIN : L45203MH1986PLC038535