

TCPL Packaging Limited

CIN:- L22210MH1987PLC044505

Registered Office:- Empire Mills Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai 400 013

Tele:- 022-61646000, Fax:- 022-24935893, email:- tcpl@tcpl.in

Website:-www.tcpl.in

RELATED PARTY TRANSACTION POLICY

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1. INTRODUCTION

TCPL Packaging Limited (“TCPL”) (the “Company”) has established and adopted this Policy for the Related Party Transactions pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) and Rules framed thereunder and Clause 49 of the Equity Listing Agreement as applicable from 1 October 2014 (“Clause 49”) This Policy and Procedure Regarding RPTs (“RPT Policy”) describe the process for identifying and approval or ratification of the RPTs including any modification thereof as well as establishing certain reporting requirements.

2. DEFINITIONS

“**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.

“**Associate**” means a Company as defined under section 2(6) of the Companies Act, 2013.,

“**Audit Committee or Committee**” means the Committee of the Board constituted from time to time under the provisions of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013.

“**Board**” means the Board of Directors as defined under the Companies Act, 2013.

“**Material Related Party Transaction**” means a Related Party Transaction which individually or taken together with previous transactions during the financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such limits as may be prescribed either in the Companies Act, 2013 or the Listing Agreement, whichever is stricter, from time to time.

“**Relative**” in relation to a related party shall have the same meaning assigned to in Section 2(77) of the Act.

“**Related Party**” a means related party as defined under the Companies Act, 2013 read with Clause 49 of the Listing Agreement and as amended from time to time.

“**Related Party Transactions**” means all transactions between the Company on one hand and one or more related party(ies) on the other hand including contracts, arrangements and transactions as envisaged in Section 188(1) of the Act and/or Clause 49 of the Equity Listing Agreement.

“**Key Managerial Personnel**” mean the officers of the Company as defined under Section 2(51) of the Act.

3. REVIEW AND APPROVAL OF RELATED-PARTY TRANSACTION

➤ Audit Committee

1. All Related Party Transactions must be reported to the Audit Committee and approved or referred for approval by the Committee in accordance with this Policy.
2. Every Related Party Transaction (RPT) shall be subject to the prior approval of the Audit Committee.
3. Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company which are repetitive in nature subject to the compliance with the conditions specified in Clause 49 of the Listing Agreement.
4. Audit Committee will review, at least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.
5. Such omnibus approvals will be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

➤ Board of Directors

1. The Audit Committee shall report all Related Party Transaction to the Board of Directors.
2. As per the provisions of Section 188 of the Companies Act, 2013 all kinds of transactions specified under the said section and which are not in the ordinary course of business or not at arm's length basis shall be placed before the Board for its approval.
3. Transactions where the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/ or at arm's length basis and decides to refer the same to the Board for approval.
4. Interested directors shall not participate in the meeting.
5. Transactions meeting the materiality thresholds laid down under this policy, which are intended to be placed before the shareholders for approval.

➤ Shareholders Resolution

1. All material Related Party Transactions shall require approval of the shareholders through special resolution.
2. The related parties shall abstain from voting on resolutions of material Related Party Transactions.

4. RELATED PARTY TRANSACTIONS THAT SHALL NOT REQUIRE APPROVAL

Following transactions shall not require separate approval under this policy:

1. Any transaction pertaining to appointment and remuneration of Directors and KMPs that has already been approved by the Nomination and Remuneration Committee of the Company or the Board;

2. Transactions that have been approved by the Board under the specific provisions of the Companies Act, e.g. inter-corporate deposits, borrowings, investments with or in wholly owned subsidiaries or other Related Parties;
3. Payment of Dividend;
4. Related Party Transactions within the limits prescribed under the Companies Act, 2013, which are in the Ordinary Course of Business or at Arms' Length.
5. Contribution to Corporate Social Responsibility (CSR), subject to approval of CSR Committee and within the overall limits approved by the Board of Directors of the Company.

5. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a Transaction with a Related Party that has not been approved under this policy prior to its consummation, the same shall be reviewed by the Committee. The Committee shall consider all the relevant facts and circumstances regarding the Related party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee may examine the facts and circumstances of the case and take any such action it deems appropriate.

6. DISCLOSURE

The Company shall disclosure the RPT Policy on its website and a weblink thereto shall be provided in the Annual Report.

7. POLICY REVIEW

This Policy shall be reviewed by the Audit Committee as and when any changes are to be incorporated in the Policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the Policy as recommended by the Committee would be presented for approval of the Board of Directors.