

**POLICY ON MATERIALITY OF RELATED PARTY  
TRANSACTIONS AND ON DEALING WITH  
RELATED PARTY TRANSACTIONS**

**OBJECTIVES**

The Board of Directors, hereinafter referred to as “the Board” of Tide Water Oil Co. (I) Ltd has adopted Related Party Transactions Policy, hereinafter referred to as “this Policy” to set forth the procedures under which transactions with Related Parties and materiality thereof shall be ascertained and considered subsequently for approval. This Policy also aims to comply with the provisions of Section 188 of the Companies Act 2013 and Regulation 23 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, as amended by Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2019 (SEBI Listing Regulations). This Policy applies to transactions between the Company and one or more of its Related Party(ies) as defined hereinbelow. It provides a framework for governance and reporting of Related Party Transactions including Material Related Party Transactions.

**DEFINITIONS**

The term **Related Party, Related Party Transactions and Relative** will carry the meaning as stated under the Companies Act, 2013 read with Rules made thereunder and further read with SEBI Listing Regulations.

**Material Related Party Transaction** means a Related Party Transaction which individually or taken together with previous transactions during the accounting year, exceeds threshold limit as stated hereinafter or such limits as may be prescribed either in the Companies Act, 2013 or the SEBI Listing Regulations, as amended from time to time, whichever is stricter.

**POLICY ON RELATED PARTY TRANSACTION**

1. The Company shall not enter into any transaction/contract/ arrangement with a Related Party without the prior approval of the Audit Committee unless the transaction /contract/ arrangement enjoys any exemption as provided under the Companies Act, 2013 or Rules made thereunder or under the SEBI Listing Regulations.
2. The Audit Committee may grant omnibus approval for Related Party Transaction proposed to be entered into by the company, subject to the conditions as stated under Regulation 23(3) SEBI Listing Regulations.
3. In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm’s length, the Company shall comply with the provisions of the Companies Act, 2013 and the Rules framed thereunder and obtain approval of the Board or its shareholders, as applicable, for such transaction/ contract /arrangement.

## **POLICY ON MATERIAL RELATED PARTY TRANSACTION**

All Material Related Party Transactions shall require prior approval of the shareholders through ordinary resolution and all Related Parties shall abstain from voting on such resolution.

The explanatory statement for this purpose of such resolution should contain the particulars as stated under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time.

## **THRESHOLD LIMITS FOR DEALING WITH RELATED PARTY TRANSACTIONS**

Sl. No.	Nature of transaction with a related party	Threshold limit till which related party transaction can be carried out with Board approval	Threshold limit till which related party transaction can be carried out with shareholders' approval (*)
a	Sale, purchase or supply of any goods or materials, directly or through appointment of agent	Upto 10% of the turnover or Rs. 100 crores, whichever is lower	No upper limit
b	Selling or otherwise disposing of, or buying, property of any kind, directly or through appointment of agent	Upto 10% of net worth or Rs. 100 crores, whichever is lower	No upper limit
c	Leasing of property of any kind	Upto 10% of the turnover or 10% of net worth or Rs. 100 crores, whichever is lower	No upper limit
d	Availing or rendering of any services, directly or through appointment of agent	Upto 10% of the turnover or Rs. 50 crores, whichever is lower	No upper limit
e	Appointment of any agent for purchase or sale of goods, materials, services or property	As stated under (a) or (b) or (c) or (d), whichever is applicable	No upper limit
f	Related party's appointment to any office or place of profit in the company, its subsidiary company or associate company	Monthly remuneration upto Rs. 2,50,000	No upper limit
g	Underwriting the subscription of any securities or derivatives, thereof, of the Company	Upto 1% of net worth	No upper limit

h	Payment towards brand usage or royalty	Upto 5% of Annual Consolidated Turnover	No upper limit
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(\*) Shareholders reserve the right to specify maximum permissible limit upto which transaction with a respective related party may be carried out in a financial year, in the event whereof such permissible limit will be reckoned as threshold limit for the purpose of this policy.

Note:

1. Threshold limit shall be determined per year basis
2. 'Networth' or 'Consolidated Turnover' or 'Turnover', wherever specified shall refer to respective figures as per last audited financial statement.

### **DISCLOSURE**

Disclosure will be made in the Company's Annual Report of the particulars of the transactions/contract / arrangement along with the justification for entering into such transactions/contracts/arrangements with the Related Parties as a part of Board's Report. This Policy will also be uploaded in the website of Tide Water Oil Co. (I) Ltd and the web link will be provided in the Annual Report.

### **POLICY INTERPRETATION AND REVIEW**

In case of any subsequent changes in the provisions of the Companies Act, 2013, SEBI Listing Regulations or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law. 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.