TPL Plastech Limited.

Policy on Related Party Transactions

TPL Plastech Limited

1. Preamble

The Board of Directors ("Board") of TPL Plastech Limited (the "Company") has adopted the policy with regard to related party transactions ("RPT") pursuant to the provisions of Section 177, 188 and other applicable provisions of the Companies Act, 2013 ("Act") and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") as amended from time to time and any other laws and regulations as may be applicable to the Company. The Audit Committee will review and may amend this policy from time to time.

This policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable on the Company.

2. Objective

The objective of this Policy is to set out
(a) The materiality thresholds for related party transactions,
(b) Define material modification and
(c) The manner of dealing with and disclosing the transactions between the Company and its related parties as required under the Act, the SEBI Listing Regulations and any other laws and regulations as may be applicable to the Company.

3. Definitions

3.1 "Act" shall mean the Companies Act, 2013 read with the rules framed thereunder and each as amended from time to time;

3.2 "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;

3.3 "Audit Committee" shall mean the Audit Committee constituted by the Board of the Company from time to time, in accordance with the provisions of the Act and SEBI LODR;

3.4 "Board" shall mean the collective body of the directors of the Company constituted from time to time in line with the provisions of section 2 (10) the Act and SEBI LODR;

3.5 "Key Managerial Personnel" shall mean key managerial personnel as defined under Act and SEBI LODR;

3.6 "Related Party" with reference to the Company, shall have the meaning as defined in Section 2(76) of the Act and Regulation 2(1)(zb) of SEBI LODR each as may be amended from time to time;

3.7 "Related Party Transaction" or **"RPT"** means such transactions as specified under Section 188 of the Act or rules made thereunder and Regulation 2(1)(zc) of the SEBI LODR, including any amendments or notification thereof as may be applicable;

3.8 "Relative" means relative as defined under section 2 (77) of the Act and rules prescribed thereunder and Regulation 2(1)(zd) of the SEBI LODR each as amended from time to time;

3.9 "Material Modification" of related party transaction shall mean and include any subsequent change to an existing related party transaction, having variance of more than 20% of the existing limit as sanctioned by the Audit Committee/ Board/Shareholders as the case may be;

3.10 "Ordinary course of business" means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per the Memorandum and Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines;

3.11 "SEBI LODR" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time and any circulars, notifications or clarifications issued thereunder from time to time by the Securities and Exchange Board of India.

3.12 "**Industry Standards**" shall mean the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" as notified by SEBI vide its circular dated June 26, 2025, and subsequently as amended from time to time.

3.13 "**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 exceed the thresholds specified in Schedule XII of the SEBI Listing Regulations which is provided below:

Consolidated Turnover of Listed Entity Threshold	**Threshold**
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹20,000 Crore to up to ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5,000 Crore, whichever is lower.

Note: Consolidated Turnover for the purpose of the abovementioned table shall be taken as audited consolidated turnover as on immediately preceding financial year.

In case of transaction involving payment to a Related Party for brand usage or royalty, it will be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

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

4. Materiality Thresholds:

Regulation 23 of the SEBI Listing Regulations requires a Company to provide materiality thresholds for transactions with its related party. In any event, if a Related Party Transaction ("RPT") exceeds the materiality threshold, prior approval of the shareholders of the Company will be required through an ordinary resolution. Prior approval of shareholders is also required in case of any subsequent material modifications to these already approved Related Party Transactions. None of the related parties ("RPs") of the Company shall vote to approve on such resolution irrespective of whether the entity is a related party to the particular transaction or not.

Company has fixed the following materiality thresholds for the purpose of Regulation 23 of the SEBI Listing Regulations:

- Payment to a Related Party with respect to brand usage or royalty – 5% of the annual consolidated turnover of the Company as per its last audited financial statements.

- Other transactions with a Related Party exceeding thresholds mentioned in Schedule XII of the SEBI Listing Regulations. The thresholds are provided below:

Consolidated Turnover of Listed Entity Threshold	**Threshold**
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹20,000 Crore to up to ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5,000 Crore, whichever is lower.

5. Manner of dealing with Related Party Transactions

All Related Party Transactions and subsequent material modification must be reported to the Audit Committee for its approval in accordance with this Policy read together with Regulation 23 of SEBI LODR, Section 188 of the Act and rules framed thereunder (each as amended) and any other provisions of applicable law:

- **Identification of Related Parties:**

  Each Director and key managerial personnel is responsible for providing notice to the Board/Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. The Director and Key Managerial Personnel shall send notice of any potential Related Party Transaction.

  The Company will keep list of Related Parties in appropriate computer system. Audit Committee may determine the procedure to be followed for declaration as well as compilation and circulation of the comprehensive list of Related Parties and the Company Secretary ("CS") or the Chief Financial Officer ("CFO") of the Company are authorised to identify and intimate the name of a Related Party to the Board/ Audit Committee.

- **Identification of Related Party Transactions:**

  The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 read with Section 177 of the Act and Regulation 2(1)(zc) of the SEBI Listing Regulations. The Company has also formulated guidelines for determining whether the transaction is in the ordinary course of business and at arm's length basis and for this purpose, the Company will seek external expert opinion, if necessary.

  Once the related party transactions are identified, the Management shall categorize the transactions under the following categories as per the Industry Standards and place applicable disclosures before the Committee seeking approval:

  a. Material Related Party Transactions
  b. Other Related Party Transactions, but with promoter or promoter group or person/ entity in which promoter or promoter group has concern or interest.
  c. Residual Related Party Transactions.

The industry standards are not applicable to RPTs with value less than ₹1 crore in a year.

6. Procedure For Approval of Related Party Transactions:

6.1 Approval of the Audit Committee

A. Prior approval of the Audit Committee shall be required for:

1. All Related Party Transactions and subsequent material modifications as defined by the Audit Committee;

2. RPTs of above ₹1 crore, where subsidiary is a party but the Company is not a party and

the transaction amount exceeds the threshold of:

i. 10% of the annual standalone turnover of the subsidiary as per last audited financial statements of the subsidiary; or
ii. the threshold for material related party transactions of listed entity as specified in Schedule XII of these regulations.

If such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the audit committee of the listed entity shall be obtained if the value of such transaction exceeds the lower of the following:

i. 10% of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
ii. the threshold for material related party transactions of listed entity as specified in Schedule XII of these regulations:

Provided that the aggregate value of paid-up share capital and securities premium account of the subsidiary shall be taken as on a date, not older than three months prior to the date of seeking approval of the audit committee.

Further, the Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

B. Prior approval of the Audit Committee shall not be required for:

i. Related Party Transactions, where the listed subsidiary is a party, but the Company is not a party, and if Regulation 23 and Regulation 15(2) of SEBI Listing Regulations are applicable to such listed subsidiary.

ii. Related Party Transactions of unlisted subsidiaries of listed subsidiary of the Company, where the prior approval of the audit committee of the listed subsidiary is obtained.

iii. transactions entered between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

iv. transactions entered between two wholly owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.

v. remuneration and sitting fees paid by Company or its subsidiaries to its directors, key managerial personnels or senior management, except who is part of promoter or promoter group, provided that the same is not material in terms of the provisions of

Regulation 23(1) of the Listing Regulations.

Members of the Audit Committee, who are independent directors, shall alone approve Related Party Transactions.

The Audit Committee, at the time of approval of RPTs, shall take into consideration the certificate to be placed before it by the Chief Executive Officer or Chief Financial Officer or any other KMP of the Company, confirming that the RPT(s) to be entered into are not prejudicial to the interest of public shareholders of the Company and the terms and conditions of the proposed RPT(s) are not unfavourable to the Company, compared to terms and conditions, had similar transaction(s) been entered into with an unrelated party. This certificate shall be placed before the Committee in terms of the Industry Standards.

However, the Company may obtain omnibus approval from the Audit Committee for all Related Party Transactions subject to compliances with the conditions prescribed in Para 1 to 9 below:

1. The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for granting the omnibus approval in line with the Policy and such approval shall include the following:

   i Maximum value of the transaction, in aggregate, which can be allowed under the omnibus route in a year;
   ii The maximum value per transaction which can be allowed;
   iii extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
   iv review, at such intervals as the Audit Committee may deem fit, Related Party Transaction entered into by the Company pursuant to each omnibus approval made;
   v transactions which cannot be subject to omnibus approval by the Audit Committee.

2. The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:
   i repetitiveness of the transactions (in past or in future);
   ii justification for the need for omnibus approval.

3. The Audit Committee shall satisfy itself regarding the need for such omnibus approval for transactions of repetitive nature and that such approval is in the interest of the Company;

4. The omnibus approval shall provide details of (i) the name(s) of the related party and its relationship with the Company or its subsidiary, nature of transaction, period of transaction, maximum aggregated value of the particular type of transaction that can be entered into during the year; (ii) basis of arriving at the indicative base price / current contracted price and the formula for variation in the price if any, (iii) minimum

information about the RPTs as per the provisions of the Industry Standards and (iv) such other conditions as the Audit Committee may deem fit.

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

5. The threshold for prior approval of the Audit Committee on related party transactions whether entered into individually or taken together with previous transactions during a financial year, undertaken by subsidiaries shall be as follows:

   - For a subsidiary with audited financial statements: 10% of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary or the scale-based threshold for material related party transactions of listed entity (as mentioned above), whichever is lower.

   - For subsidiaries not having audited financial statements for a period of at least 1 year: 10% of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or the scale-based threshold for material related party transactions of listed entity (as mentioned above), whichever is lower.

6. The Audit Committee shall review, at least on a quarterly basis, the aggregated value and other details of Related Party Transactions entered into by the Company or its subsidiary pursuant to the omnibus approval given;

7. Omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Act or rules, notifications, or circulars issued thereunder from time to time. In case of omnibus approvals for material related party transactions, granted by the shareholders in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

8. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

9. Omnibus approval can be granted by the audit committee for related party transactions of the Company as well as of its subsidiaries.

10. Any other conditions as the Audit Committee may deem fit.

C. Pursuant to the approval of the Board of Directors, the Audit Committee of the Company has specified following criteria for granting **omnibus approval**:

   - The maximum value of the transactions, in aggregate, which can be allowed under

omnibus route in a year will be 50% of the annual consolidated turnover of the Company as per its last audited financial statements, subject to the transaction(s) exceeding the materiality threshold which requires shareholder approval will not be considered for this limit.

- The maximum value per transaction which can be approved under omnibus route will be the same as per the materiality threshold as defined in the Policy. Should the value per transaction, through omnibus route, exceed the materiality threshold as defined in the Policy, the same shall be subject to approval of shareholders of the Company.

- While assessing a proposal put up before the Audit Committee / Board for approval, the Audit Committee / Board may review the following documents / seek the following information from the management in order to determine if the transaction is in the ordinary course of business and at arm's length or not:

  i. the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transactions that shall be entered into;
  ii. the indicative base price / current contracted price and the formula for variation in the price, if any;
  iii. Minimum Information to be placed before the Audit Committee as required under the Industry Standards
  iv. such other information/documents/confirmations as the Audit Committee may deem fit from time to time.

- The Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered by the Company pursuant to each omnibus approval given.

- Transaction of following nature will not be subject to the omnibus approval of the Audit Committee:

  - Transactions which are not at arm's length or not in the ordinary course of business;
  - Transactions which are not repetitive in nature;
  - Transactions exceeding materiality thresholds as laid down in the Policy
  - Transactions in respect of selling or disposing of the undertaking of the company
  - Financial Transactions e.g. Loan to related parties, Inter Corporate Deposits, subscriptions to bond, debenture or preference shares issued by the related parties, corporate guarantee given/received from related parties.
  - Any other transaction as the Audit Committee may deem not fit for omnibus approval

D. Audit Committee has defined "**material modifications**" as following:

Material Modifications of Related Party Transaction" in relation to the Company means and includes any modification to an existing related party transaction having variance of more than 20% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders,

as the case may be.

6.2 Approval of Board of Directors:

As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and which are not in the ordinary course of business or at arm's length basis, shall be placed before the Board for its approval.

In addition to the above, the following kinds of transactions with related parties shall also be placed before the Board for its approval:

- Transactions which may be in ordinary course of business and at arm's length basis but which are as per the policy determined by the Board from time to time (i.e. value threshold or other parameters) require Board approval in addition to Audit committee approval.

- Transactions in respect of which the Audit Committee is unable to determine whether or not they are in ordinary course of business or are at arm's length basis and decides to refer the same to the Board for approval.

- Transactions which are in the ordinary course of business and at arm's length basis but which in Audit Committee's view requires Board approval.

- Transactions exceeding the materiality thresholds laid down in this policy, which are intended to be placed before the shareholders for approval.

6.3 Approval of the Shareholders:

All material Related Party Transactions and subsequent Material Modifications as recommended by the Audit Committee shall require prior approval of the shareholders through resolution. In addition, all kinds of transactions which are not in the Ordinary Course of Business or are not at Arm's Length and exceed the materiality thresholds, as defined above and under the Act shall require prior approval of the shareholders. For this purpose, no Related Party shall vote to approve such resolution whether the entity is a related party to the particular transaction or not.

The provisions of Regulation 23(2), (3) and (4) of the Listing Regulations shall not be applicable in case of transactions entered into between a holding company and its wholly owned subsidiary and between two wholly-owned subsidiaries, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

A. Exclusions:

Notwithstanding the foregoing, the following RPTs shall not require approval of the Audit Committee or the Board or shareholders of the Company:

- Any transaction that involves the providing of compensation to a director or key managerial personnel of the Company in relation with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.

- Any transaction in which the Related Party's interest arises solely from ownership of the securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

7. Related Party Transactions without Approval

The members of the Audit Committee, who are independent directors, may ratify the related party transactions within 3 months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier. Ratification is subject to certain conditions as specified in the Listing Regulations.

The failure to seek ratification of the audit committee shall render related party transactions voidable at the option of the audit committee.

8. Limitation

In the event of any conflict between the provisions of this policy and of the Act or SEBI LODR or any other statutory enactments, rules, the provisions of the Act, SEBI LODR or statutory enactments, rules shall prevail over this policy.

9. Disclosures

The Company shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the Board from time to time, and publish the same on its website.

10. Amendments and Reviews

The Board shall review the policy once in every three years and may amend this policy from time to time after taking recommendations from the Audit Committee into account.

****