

TIGER LOGISTICSS (INDIA) LIMITED
POLICY ON MATERIALITY OF AND ON DEALING WITH RELATED PARTY
TRANSACTIONS

TITLE

This Policy shall be called ‘Policy on materiality of and dealing with Related Party Transactions’.

PREAMBLE:

Related Party Transactions can present a potential or actual conflict of interest which may be against the interest of the Company and its stakeholders. Considering the requirements for approval of Related Party Transactions as prescribed under Section 188 of the Companies Act, 2013 read with Rules and Regulations framed thereunder (the “Act”) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), as amended from time to time, the Board of Directors of Tiger Logistics (India) Limited (the “Company” or “TLIL”), has adopted the following policy and procedures with regard to entering into Transaction(s) with a Related Party(ies) (“Related Party Transactions” or “RPT”). The Board may review and amend this policy from time to time considering amendments made in the Act, SEBI Rules and Regulations, Listing Agreement with Stock Exchanges and any other Statute, Acts, Rules, Regulations, Guidelines, Notifications dealing with the subject for the time being in force.

PURPOSE:

This Policy is framed and/or amended as per the requirement of Section 188 of the Act and Regulation 23 of the Listing Regulations and is intended to ensure prior approval, wherever required and disclosure of transactions between the Company and its Related Parties.

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 conflict of interest.

“Audit Committee” or **“Committee”** means the audit committee constituted by the Board of Directors of the Company in accordance with applicable law, including the SEBI LODR and the Act, as amended from time to time.

“Board” means the Board of Directors of Tiger Logistics (India) Limited.

“Company” means Tiger Logistics (India) Limited.

“Key Managerial Personnel” in relation to a Company means Key Managerial Personnel as defined in sub- section (51) of section 2 of the Act.

“Material Related Party Transaction” means a transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous Transactions during a financial year, exceeds Rs. 1,000 crore or ten percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company, whichever is lower.

Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the Transaction to be entered into individually or taken together with previous Transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

“Material Modification” means any change in the approved terms which has a financial implication of 25% or more of the approved value or Rs. 100 crores, whichever is lower.

“Policy” means this Policy, as amended from time to time.

“Related Party” means a related party as defined under the Act and under Regulation 2(1)(zb) of the SEBI LODR, as amended from time to time;

“Related Party Transactions” or **“RPTs”** shall mean such Transaction as specified under the Act and under Regulation 2(1)(zc) of the SEBI LODR, as amended from time to time.

“Relative” means a relative as defined under Section 2 (77) of the Act and under Regulation 2(1)(zd) of SEBI LODR, as amended from time to time.

“Transaction” with a Related Party shall be construed to include a single transaction or a group of transactions.

Any other term not defined herein shall have the same meaning as defined in the Act, SEBI LODR the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or any other applicable law or regulation, unless the context otherwise require.

IDENTIFICATION OF RELATED PARTIES & TRANSACTIONS:

Every Director and Manager will be responsible for providing a declaration containing the following information to the Company Secretary on an annual basis and whenever there is a change in the information provided:

1. Names of his / her Relative(s);
2. Firms in which he / she or his / her Relative(s) is a partner;
3. Private Companies in which he / she or his / her Relative(s) is a Member or a Director;
4. Public Companies in which he / she is a Director and holds along with his/her Relative(s) more than 2% of paid-up share capital;
5. Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his / her advice, directions or instructions (other than advice, directions or instructions obtained in professional capacity); and
6. Persons on whose advice, directions or instructions, he / she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity);
7. He/She will not cause or solicit any person or entity to enter into any transaction with the Company or any of its subsidiaries the purpose and effect of which is / will be to benefit him/her and/or any other person who is a related party of the Company and/or its subsidiaries through him/her.
8. In case, he/she comes to know of any transaction entered into by any person or entity with the Company and/or its subsidiaries, the purpose and effect of which is to benefit him/her

and/or any other person who is a Related Party of the Company and/or its subsidiaries through him/her, he/she shall immediately inform the Company and/or the concerned subsidiary of the Company, of such transaction and declare his/her interest or concern therein.

Every Key Managerial Personnel of the Company will be responsible for providing a declaration of following information to the Company Secretary on an annual basis and whenever there is a change in the information provided:

1. Names of his / her Relative(s)
2. Firms in which he / she or his / her Relative(s) is a Partner;
3. He/She will not cause or solicit any person or entity to enter into any transaction with the Company or any of its subsidiaries the purpose and effect of which is / will be to benefit him/her and/or any other person who is a related party of the Company and/or its subsidiaries through him/her.
4. In case, he/she comes to know of any transaction entered into by any person or entity with the Company and/or its subsidiaries, the purpose and effect of which is to benefit him/her and/or any other person who is a Related Party of the Company and/or its subsidiaries through him/her, he/she shall immediately inform the Company and/or the concerned subsidiary of the Company, of such transaction and declare his/her interest or concern therein.

The Promoters of the Company, where Promoter is a body corporate, shall provide (i) a list of its holding and subsidiary companies (ii) a list of bodies corporate in which the promoter of the Company holds twenty per cent or more of the equity share capital (iii) a list of bodies corporate which hold twenty per cent or more of the equity share capital of the Promoter, alongwith PAN, CIN or any other identifier authorised by Law (as may be applicable), on an annual basis and whenever there is a change in the information so provided.

Every Director, KMP, Officers of the Company and of the Subsidiary authorised to enter into contracts/arrangements will be responsible for providing prior Notice to the Chief Financial Officer of the Company with a copy to the Company Secretary of the Company of any potential Related Party Transaction. They will also be responsible for providing additional information about the Transaction that the Board / Committee may request, for being placed before the Board/Committee of the Company.

Besides the above, the Company will also identify other Related Parties as required under the Act and the SEBI LODR.

Any Related Party Transaction will be regulated as per this Policy.

APPROVAL OF RELATED PARTY TRANSACTIONS

1. All Related Party Transactions and subsequent modifications thereto including Material Modifications to Material Related Party Transaction shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation or any other manner as provided by the Act or the SEBI LODR.

2. A Related Party Transactions to which a Subsidiary of the Company is a party, but the Company is not a party, shall also require prior approval of the Audit Committee of the Company if the value of such Transaction, whether entered into individually or taken together with previous Transactions during a financial year exceeds the thresholds prescribed under Regulation 23 of the SEBI LODR.
3. A related party transaction covers a transaction between the Company or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries.

Further:

In case of transaction, other than transactions referred to in Section 188 of the Act, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

The members of the Audit Committee, who are independent directors, may ratify related party transactions within three months from the date of the Transaction or in the immediate next meeting of the Audit Committee, whichever is earlier, subject to the following conditions:

- (i) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
- (ii) the transaction is not material in terms of the provisions of sub-regulation (1) of Regulation 23 of the SEBI LODR;
- (iii) rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
- (iv) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of Regulation 23 of the SEBI LODR;
- (v) any other condition as specified by the audit committee.

Provided that failure to seek ratification of the Audit Committee shall render the Transaction voidable at the option of the Audit Committee and if the Transaction is with a related party to any Director, or is authorised by any other Director, the Director(s) concerned shall indemnify the Company against any loss incurred by it.

Where the Company and/or any of its Subsidiaries enters into a contract / Transactions with a Related Party, which stipulates details as prescribed by the Act and/or the SEBI LODR prior approval once given by the Audit Committee would suffice and Audit Committee would only note the Transactions that are entered into pursuant to such master agreement and such Transactions will not require any additional approval of the Audit Committee unless the Company proposes to enter into Modification of the referred contract/transaction with a Related Party or the concerned subsidiary proposes to enter into Material Modification of the referred contract/transaction with a Related Party.

The Audit Committee may grant omnibus approval for the proposed Related Party Transactions of the Company and/or its subsidiaries (as required under the SEBI LODR), subject to the following conditions:

1. The Audit Committee shall lay down the criteria for granting omnibus approval in line with this Policy;
2. The Audit Committee shall satisfy for following criteria while making omnibus approval:
 - a. Need for such omnibus approval and that such approval is in the interest of the Company/its Subsidiary, as the case may be;
 - b. Repetitiveness of the transactions (in past or in future);
 - c. Justification for the need of omnibus approval;
3. Such omnibus approval shall specify the following:
 - a. Name(s) of the Related Party;
 - b. Nature of the Transaction;
 - c. Period of Transaction;
 - d. Maximum amount of Transaction that can be entered into;
 - e. The indicative base price / current contracted price and the formula for variation in the price, if any,
 - f. Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction, and;
 - g. Such other conditions as the Audit Committee may deem fit.

Notwithstanding above, omnibus approval shall not be made for selling or disposal of the undertaking between Related Parties.

In cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such Transaction subject to their value not exceeding Rs. One crore per Transaction or such amount as may be prescribed from time to time.

All Omnibus approvals granted pursuant to the Act and the SEBI LODR shall be valid for a period not exceeding one financial year and shall require fresh approvals after the expiry of such financial year. However, the Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the Company or its Subsidiary pursuant to each of the omnibus approvals given. These provisions shall not apply to a transaction, other than a transaction referred to in section 188, between a holding Company and its wholly owned subsidiary Company.

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

As provided in the SEBI LODR:

- (i) Transaction between a Holding Company and wholly-owned Subsidiary of the Company or 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.

- (ii) Transaction which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.

shall not be required to follow the provisions related to prior approval of Audit Committee of the Company or prior approval of shareholders of the Company, as the case may be.

A member of the Committee who has an interest in any Related Party Transaction will not remain present at the meeting when such Related Party Transaction is considered.

Where any Director is interested in any Related Party Transaction, such Director will not remain present at a meeting when such Related Party Transaction is considered.

To review a Related Party Transaction, the Board/Audit Committee will be provided with all the relevant information pertaining to the Related Party Transaction as prescribed under the SEBI LODR/the Act, from time to time, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company/Subsidiary and any other matter, as may be required. In determining whether approval needs to be accorded to a Related Party Transaction, the Board/Audit Committee will consider the following factors:

- Whether the terms of the Related Party Transaction are fair to the Company/its Subsidiaries, as the case may be, and would apply on the same basis as if the Transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company/its Subsidiaries to enter into the Related Party Transaction and the nature of alternative Transactions, if any;
- Whether the Related Party Transaction would impair the independence of an otherwise Independent Director;
- Whether the Related Party Transaction would present a conflict of interest for any Director, or KMP of the Company or of its Subsidiaries, taking into account the size of the Transaction, the overall interest of the Director, KMP or other Related Party, the direct or indirect nature of the Director's, KMP's or other Related Party's interest in the Transaction and the ongoing nature of any proposed relationship;
- Whether the purpose and effect of the Related Party Transaction is to benefit any other Related Party of the Company; and
- Any other factors the Board/Audit Committee may deem fit to consider.

The threshold for determining Material Related Party Transactions, as approved by the Board, shall be as defined in this Policy i.e. in line with the provisions of the Act and as per Regulation 23 of the SEBI LODR, as amended from time to time.

In terms of the provisions of the SEBI LODR, all Material Related Party Transactions and Material Modification thereto, from time to time, shall require prior approval of Shareholders of the

Company (unless it is exempted pursuant to the provisions of SEBI LODR) and no Related Party shall vote to approve such resolution(s) whether the entity is a Related Party to the particular Transaction or not.

All Related Party Transactions pursuant to Section 188 of the Act which are not in the ordinary course of business and / or not an Arms' length basis and which cross the threshold limits prescribed under Act, from time to time, shall also require the requisite approval of Shareholders of the Company (unless it is exempted pursuant to the provisions of the Act) and no Member of the Company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the Company, if such Member is a Related Party in the context of the contract or arrangement for which such resolution is being passed.

“Ordinary course of business” would include usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and all such activities which the Company can undertake as per the Memorandum & Articles of Association of the Company

The notice being sent to the shareholders seeking approval for any proposed Related Party Transaction shall, in addition to the requirements under the Companies Act, 2013, include the information as may be required under the SEBI LODR and such other law as may be applicable.

In case, the Shareholders do not approve a Related Party Transaction, the Board / Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the Transaction, or modification of the transaction to make it acceptable to Shareholders for approval.

DISCLOSURE AND REPORTING OF RELATED PARTY TRANSACTIONS

The Company shall submit to the stock exchanges disclosures of Related Party Transactions in such format and at such intervals within timelines, as prescribed under the SEBI LODR/specified by SEBI, from time to time and publish the same on its website. Further, the remuneration and sitting fees paid by the Company or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure to the Stock Exchanges provided that the same is not material in terms of the provisions of sub-regulation (1) of regulation 23.

Every Related Party Transaction / contracts or arrangements that are:- (i) material or (ii) not at arm's length basis and/ or ordinary course of business, shall be referred to in the Board's report to the shareholders along with justification for entering into such transaction as per the requirement of the Act.

The various business heads, strategic sourcing department, department heads or any person authorised to enter into any transaction on behalf of the Company shall not undertake any transaction with related party unless they confirm that the transaction has prior approval of the Audit Committee and that the transaction is both in the ordinary course of business and on an arm's length basis. Any transaction not meeting the required criteria mentioned above should be brought to the notice of the Secretarial Department, Accounts Department and the CFO for seeking the requisite approvals.

AMENDMENTS

The Audit Committee may, for the purpose of aligning this Policy with the regulatory changes, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy.

The Board may also make amendments to the Policy from time to time, based on the recommendations of the Audit Committee.

Further, the Board will review this Policy from time to time as prescribed under the Act or SEBI LODR.

The Board may also establish further rules and procedures, from time to time, to give effect to this Policy.

SCOPE LIMITATION

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

DISSEMINATION OF POLICY

This Policy shall be disseminated to all functional and operational heads and other concerned persons of the Company and shall be hosted on the intra-net and website of the Company and web link thereto shall be provided in the annual report of the Company.
