



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF TASTY DAIRY SPECIALTIES LIMITED IN THEIR MEETING HELD ON MONDAY, 14 FEBRUARY, 2022 AT 02:30 P.M. AT THE ADMINISTRATIVE OFFICE OF THE COMPANY SITUATED AT G-6, 12/483 RATANDHAM APARTMENT MCROBERTGANJ, KANPUR 208001

Item no.1 TO TAKE NOTE OF VARIOUS AMENDMENTS TO THE PROVISIONS PERTAINING TO THE RELATED PARTY TRANSACTIONS ('RPT') UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Securities and Exchange Board of India (SEBI), vide its notification dated November 09, 2021, has notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 which shall come into force with effect from April 01, 2022.

Vide these amendments, SEBI has made various amendments to the provisions pertaining to the Related Party Transactions ('RPT') under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The highlights of these amendments are as follows:

<u>Existing</u>	<u>Amendment</u>	<u>Conclusion</u>						
<u>DEEMED TO BE A RELATED PARTY</u>								
Any person or entity belonging to the promoter or promoter group of the listed entity, holding 20% or more of shareholding in the listed entity	<p>a) Any person or entity forming a part of the promoter or promoter group of the listed entity; or</p> <p>b) any person or any entity, holding equity shares:</p> <p>i) of 20% or more; or</p> <p>ii) of 10% or more, (w.e.f. 01/04/2023) in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year;</p>	<p>The Definition has been widened and Person/Entity forming part of Promoter/Promoter Group shall be considered "Deemed to be a Related Party" irrespective of their shareholding.</p> <p>Any Person/Entity holding Equity Directly/Indirectly/as a Beneficiary to the extent of prescribed limit or more shall be considered "Deemed to be a Related Party".</p>						
<u>RELATED PARTY TRANSACTION</u>								
Transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is Charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract	<p>Transaction involving a transfer of resources, services or obligations between:</p> <p>(i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or</p> <p>(ii) a listed entity 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 listed entity or any of its subsidiaries, with effect from April 1, 2023; regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract:</p>	<p>Definition of Related Party Transaction has been made inclusive, and Transaction entered between the following parties will now be covered within the ambit of Related Party Transaction:</p> <table border="1"> <thead> <tr> <th>1st Party</th> <th>2nd Party</th> </tr> </thead> <tbody> <tr> <td>A Listed Entity or its Subsidiary</td> <td>RP of such Listed entity or its subsidiary</td> </tr> <tr> <td>A Listed entity or its Subsidiary</td> <td>Any Person/ Entity giving benefit to the Listed Entity or its Subsidiary (w.e.f 04/01/2023)</td> </tr> </tbody> </table>	1st Party	2nd Party	A Listed Entity or its Subsidiary	RP of such Listed entity or its subsidiary	A Listed entity or its Subsidiary	Any Person/ Entity giving benefit to the Listed Entity or its Subsidiary (w.e.f 04/01/2023)
1st Party	2nd Party							
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	<p>Provided that the following shall not be a related party transaction:</p> <p>(a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;</p> <p>(b) the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:</p> <p>i. payment of dividend;</p> <p>ii. subdivision or consolidation of securities;</p> <p>iii. issuance of securities by way of a rights issue or a bonus issue; and</p> <p>iv. buy-back of securities.</p> <p>(c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:</p>	<p>Regardless of whether a price is charged through single transaction/group of transactions.</p> <p>Removing some major ambiguities, SEBI has excluded the following transactions from the definition of RPT:</p> <ul style="list-style-type: none"> • Issue of specified securities on preferential basis under the SEBI (ICDR) Regulations, 2018; • Corporate actions which are uniformly applicable/offered to all the shareholders in proportion to their shareholding: <ul style="list-style-type: none"> ○ Payment of dividend; ○ Subdivision/consolidation of securities; ○ Rights issue/bonus issue; ○ Buy-back of securities • Acceptance of fixed deposits by banks/ NBFCs <p>at the terms uniformly applicable/ offered to all shareholders, subject to disclosure of such acceptance, and disclosure of RPT in every 6 months to the Stock Exchange.</p>
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MATERIAL RELATED PARTY TRANSACTIONS

<p>A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous Transactions during a financial year, exceeds 10% of the annual consolidated turnover of the</p>	<p>A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous Transactions during a financial year, exceeds Rs. 1000 Cr. or 10% of the Annual Consolidated Turnover of the</p>	<p>Amending the current Threshold of 10% of the annual consolidated turnover, any RPT, either individually or taken together with the previous transactions during a financial year, shall be considered ‘material’ if it exceeds Rs. 1000 Cr. or 10% of consolidated annual turnover of</p>
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<p>listed entity as per the Last audited financial statements of the listed entity.</p>	<p>listed entity as per the last audited financial statements of the listed entity, whichever is lower.</p>	<p>the entity, whichever is lower.</p>
<p><u>APPROVAL OF AUDIT COMMITTEE FOR RELATED PARTY TRANSACTION</u></p>		
	<p>Insertion of proviso:</p> <p>(a) the audit committee of a listed entity shall define “material modifications” and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions;</p> <p>(b) a related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover, as per the last audited financial statements of the listed entity;</p> <p>(c) with effect from 01/04/2023, a related party transaction together with previous transactions during a financial year, exceeds 10% of the annual standalone turnover, as per the last audited financial statements of the subsidiary;</p> <p>(d) prior approval of the audit committee of the listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.</p> <p>Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary</p>	<p>Approval Audit Committee will now be required for:</p> <ul style="list-style-type: none"> • All RPTs and subsequent material modifications. Further, the audit committee shall define such material modifications and disclose it as a part of policy on materiality of RPT; • RPTs where subsidiary is a party but listed entity is not a party and where transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the consolidated turnover of the listed entity, or 10% of standalone turnover of the subsidiary (w.e.f. 01/04/2023) <p>Certain Transaction are Exempted from the Approval of Audit Committee, where party to the transaction is a Listed Entity:</p> <ul style="list-style-type: none"> • Transaction(s) entered into between the listed subsidiary and a related party, provided provisions of Regulation 23 and 15(2) are applicable on the listed subsidiary. • Transaction(s) entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.



	as referred to in (d) above, the prior approval of the audit committee of the listed subsidiary shall suffice.”	In case of RPT of Unlisted Subsidiary of a listed subsidiary only prior approval of the Audit Committee of the Listed Subsidiary is suffice, no need to take prior approval from the Holding Listed Entity is required.
APPROVAL OF SHAREHOLDERS FOR RELATED PARTY TRANSACTION		
All material related party transactions shall require approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.	All material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (2) shall require prior approval of the shareholders through resolution and no related party shall vote to approve] such resolutions whether the entity is a related party to the particular transaction or not: Insertion of Proviso: “Provided that prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary. Insertion of sub-regulation (5)(c): Transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.”	All materials RPTs and subsequent material modifications basis threshold as defined by the Audit Committee, will now require prior approval of shareholders except where the transaction(s) is being entered into between a listed subsidiary and a related party and provisions of Regulation 23 and 15(2) are applicable on the listed subsidiary. In case of a Transaction between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company no Prior Approval of Audit Committee of the Listed Holding Company, Omnibus Approval from Listed Entity, Prior Approval of Shareholders will be required.
ENHANCED DISCLOSURE OF INFORMATION RELATED TO RPTS		
The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock	The listed entity 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: Provided that a ‘high value debt listed entity’ shall submit such disclosures along with its standalone financial results for	Listed entity which has listed their non-convertible securities shall make disclosures in compliance with the Accounting Standard on “Related Party Disclosures”. Squeezing the Timelines: Listed entities to make disclosures of RPTs to stock exchanges every 6 months:



<p>exchanges and publish the same on its website.</p> <p>Provided that a 'high value debt listed entity' shall submit such disclosures along with its standalone financial results for the half year</p>	<p>the half year:</p> <p>Provided further that the listed entity shall make such disclosures every six months within 15 days from the date of publication of its standalone and consolidated financial results:</p> <p>Provided further that the listed entity shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results with effect from 01/04/2023.</p>	<ul style="list-style-type: none">• Within 15 days [earlier 30 days] from the date of publication of financial results; and <p>Simultaneously with the financials results w.e.f. 01/04/2023.</p>
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After a detailed deliberation on the amendments in the provisions of Related Party Transaction and keeping in view the role and responsibilities of the Audit Committee of the Company, policy on materiality of related party transactions and on dealing with related party transactions has been revised after incorporating the required amendments thereto, and the same has been tabled before the Meeting.

And following resolution was passed:

“RESOLVED THAT pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, and amendments thereto revised 'Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions', be and is hereby considered and approved and the same shall be required to upload on website of the Company.

For, TASTY DAIRY SPECIALITIES LIMITED

Sd/-
Mahendra Kumar Singh
Executive Director
DIN: 02727150