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Policy on Related Party Transactions

(Under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. Preamble

The Board of Directors of **Malankara Plantations Limited** ("Company"), being a listed entity, recognizes the need to regulate Related Party Transactions (RPTs) in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

This Policy is framed to ensure proper approval, disclosure, and reporting of transactions between the Company and its Related Parties and to ensure transparency in such transactions.

2. Objective

The objective of this Policy is:

- To lay down a framework for identification, review, approval and disclosure of RPTs.
- To ensure that such transactions are conducted at arm's length, in ordinary course of business, and in the best interest of the Company and its stakeholders.
- To comply with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

3. Definitions

"Act" means the Companies Act, 2013 and the rules made thereunder.

"Arm's Length Transaction" means a transaction between two related parties that is conducted as if they were unrelated, in a manner similar to that of a transaction with an unrelated party.

"Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations.

“Key Managerial Personnel” (KMP) shall have the meaning assigned to it under Section 2(51) of the Companies Act, 2013.

“Material Related Party Transaction” means a transaction with a Related Party to be entered into individually or taken together with previous transactions during a financial year, **exceeding the lower of the following:**

- Ten percent (10%) of the annual consolidated turnover of the Company as per the last audited financial statements; or
- ₹1,000 crore.

“Related Party” shall have the same meaning as assigned under:

- Section 2(76) of the Companies Act, 2013;
- Regulation 2(1)(zb) of the SEBI (LODR) Regulations, 2015.

“Related Party Transaction” (RPT) means a transaction involving a transfer of resources, services or obligations between the Company and a Related Party, regardless of whether a price is charged.

4. Applicability

This Policy applies to all RPTs entered into by the Company with any Related Party, whether directly or indirectly, and whether in a single instance or a series of transactions during a financial year.

5. Identification of Related Parties and Transactions

- The Company shall maintain an updated list of Related Parties based on the disclosures received from Directors, KMPs, and senior management.
- All proposed transactions with such parties shall be evaluated to determine whether they qualify as RPTs under the Act and SEBI LODR.
- The Company Secretary shall coordinate the process of identifying RPTs and placing them before the appropriate approving authority.

6. Approval of Related Party Transactions

a. Audit Committee Approval

- All RPTs shall be placed before the Audit Committee for prior approval.
- Only those members of the Audit Committee who are Independent Directors shall approve RPTs.



- The Audit Committee may grant omnibus approval for repetitive RPTs that are in the ordinary course of business and on arm's length basis, subject to annual review and compliance with conditions prescribed in SEBI (LODR) Regulations.

b. Board Approval

- As per the policy of the Company, the Audit Committee, after discussion and approval, will refer all Related Party Transactions to the Board for review.
- Where any director is interested in a transaction, they shall abstain from voting on such resolution.

c. Shareholders' Approval

- **Material Related Party Transactions**, i.e., those exceeding the lower of:
 - 10% of the annual consolidated turnover of the Company as per the last audited financial statements; or
 - ₹1,000 crore, shall require prior approval of the shareholders by way of an ordinary resolution.
- **No approval of shareholders is required for RPTs which are not material** as per the above thresholds.
- **All related parties shall abstain from voting** on such resolutions, irrespective of whether the related party is interested in the transaction or not.

7. Disclosure and Reporting

The Company shall disclose the RPTs as follows:

- In the Board's Report, as required under the Companies Act, 2013.
- In the Corporate Governance Report as a part of the Annual Report, as per Regulation 27 of SEBI (LODR) Regulations.
- To the stock exchanges, in the format and timeline prescribed under SEBI circulars.
- On the Company's website, and a web link to be provided in the Annual Report.

8. Monitoring and Review

- The Audit Committee shall review on a quarterly basis, the details of RPTs entered into by the Company.
- The Board shall review the status and effectiveness of this Policy periodically.
- This Policy shall be reviewed at least once every three years or as and when required to align with regulatory requirements.

9. Exemptions

The following transactions are exempt from approval under this Policy:



- Transactions entered into between the Company and its wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the shareholders at the general meeting.
 - Intragroup transactions in the ordinary course of business and on arm's length basis, not exceeding the materiality threshold.
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10. Amendment

Any amendment to this Policy shall be approved by the Board of Directors on the recommendation of the Audit Committee and in accordance with applicable laws, rules and regulations.

This Policy shall be disclosed on the Company's website:

🌐 www.malankaraplantations.com

For Malankara Plantations Ltd.


Managing Director