



**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

**Policy on Related and Materially Related Party Transaction**

**[Reviewed on 28<sup>th</sup> May, 2019]**

**1. Preamble**

The Board of Directors (the "Board") of Norben Tea & Exports Limited (the "Company" or "NTEL"), has adopted the following policy and procedures with regard to Related and Materially Related Party Transactions as defined below. The Audit Committee will review and may amend this policy from time to time.

Further, any changes in Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as the Listing Regulations) or the Companies Act, 2013 will become applicable, even if this Policy has not been amended by the Audit Committee.

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

**2. Purpose**

This policy is framed as per requirement of Regulation 23 of the Listing Regulations and intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

**3. Definitions**

The definitions for all terms are as defined Regulation 23 of the Listing Regulations and The Companies Act, 2013.

**4. Policy**

All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

**4.1 Identification of Potential Related Party Transactions**

Each director and Key Managerial Personnel is responsible for providing notice to the Board or 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. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.





## **NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.

### **4.2 Prohibitions related to Related Party Transactions**

All Related Party Transactions shall require prior approval of Audit Committee. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company as stated in Regulation 23 of the Listing Regulations.

Further, all Material Related Party Transactions shall require approval of the shareholders through resolution and the Related Parties shall abstain from voting on such resolutions.

### **4.3 Review and Approval of Related Party Transactions**

Related Party Transactions will be referred to the next regularly scheduled meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are prudent business considerations for the Company to enter into the Related Party Transaction;
- Whether the Related Party Transaction would affect the independence of an independent director;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the







## **NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee or Shareholders:

- i. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection 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.
- ii. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

### **5. Related Party Transactions not approved under this Policy**

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

For NORBEN TEA & EXPORTS LTD

Signed

Mg. Director

**Policy on Related and Materially Related Party Transaction**

[Reviewed on 26<sup>th</sup> May, 2022]

**1. Preamble**

The Board of Directors (the "Board") of Norben Tea & Exports Limited (the "Company" or "NTEL"), has adopted the following policy and procedures with regard to Related and Materially Related Party Transactions as defined below. The Audit Committee will review and may amend this policy from time to time.

Further, any changes in Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as the Listing Regulations) or the Companies Act, 2013 will become applicable, even if this Policy has not been amended by the Audit Committee.

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

**2. Purpose**

This policy is framed as per requirement of Regulation 23 of the Listing Regulations and intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

**3. Definitions**

The definitions for all terms are as defined Regulation 23 of the Listing Regulations and The Companies Act, 2013.

**4. Policy**

All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

**4.1 Identification of Potential Related Party Transactions**

Each director and Key Managerial Personnel is responsible for providing notice to the Board or 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. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.







**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.

**4.2 Prohibitions related to Related Party Transactions**

All Related Party Transactions shall require prior approval of Audit Committee. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company as stated in Regulation 23 of the Listing Regulations.

Further, all Material Related Party Transactions shall require approval of the shareholders through resolution and the Related Parties shall abstain from voting on such resolutions.

**4.3 Review and Approval of Related Party Transactions**

Related Party Transactions will be referred to the next regularly scheduled meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are prudent business considerations for the Company to enter into the Related Party Transaction;
- Whether the Related Party Transaction would affect the independence of an independent director;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the







**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee or Shareholders:

- i. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection 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.
- ii. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

**5. Related Party Transactions not approved under this Policy**

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

For NORBEN TEA & EXPORTS LTD.

Signed

Mg. Director



**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

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

**(As approved by the Board of Directors on 26<sup>th</sup> May, 2014 and  
as last amended on 13<sup>th</sup> February, 2024)**





## 1. Scope and Purpose

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the Company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the Rules framed there under and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time. Norben Tea & Exports Limited has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also, Regulation 23 of the Listing Regulations requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions, including clear threshold limits duly approved by the Board of Directors.

In light of the above, Norben Tea & Exports Limited has framed this Policy on Related Party Transactions ("Policy") which also includes the section on determining materiality threshold for related party transactions. This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board.

In case of any inconsistency in the Policy and the Act / Listing Regulations, as may be amended from time to time, the provisions of the Act / Listing Regulations would prevail.

## 2. Definitions

- a. "Act" means the Companies Act, 2013
- b. "Regulation 23" means the Regulation no. 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- c. "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
- d. "Company" means Norben Tea & Exports Limited
- e. "Listing Regulations" means Securities and Exchange Board of India (Listing







**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

Obligations and Disclosure Requirements) Regulations, 2015

- f. "Relative" with reference to a Director or KMP means persons as defined in Section 2(77) of the Act and rules prescribed thereunder
- g. "Related Party" have the meaning as defined in Section 2(76) of Companies Act, 2013 and Regulation 2(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time)
- h. "Related Party Transaction"
- for the purpose of the Act, specified transaction of the Company with Related Parties mentioned in clause (a) to (g) of sub-section 1 of Section 188 and clause (iv) of sub-section 4 of Section 177 of the Act; and
  - for the purpose of Regulation 2(1)(zc) of the Listing Regulations, a transfer of resources, services or obligations between:
    - a. the Company or any of its subsidiaries on one hand and a related party of Company or any of its subsidiaries on the other hand;
    - b. 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 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.

Provided that this definition shall not be applicable for the units issued by Mutual Funds which are listed on Recognized Stock Exchanges.

Following shall not be considered as Related Party Transaction of the Company in terms of the Listing Regulations:

- (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
- (b) payment of dividend by the Company
- (c) sub-division or consolidation of securities by the Company
- (d) issuance of securities by way of a rights issue or a bonus issue and
- (e) Buy-back of securities.





**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

- i. **“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, exceeds Rs. 1,000 crore or 10% (ten percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, or
  - The transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions of the Company, exceed 5% (five percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.
- j. **“Material modification”** means any modification related to change in price, tenure, delivery schedule, non-statutory obligations, terms and conditions or short closure of any contract or arrangement with related party made in any ongoing or proposed Related Party Transaction, as originally approved by the Audit Committee and/or shareholders, which has the effect of variation in the approved value of the transaction or by which the transaction ceases to be in ordinary course and/or on arm’s length basis or such other parameter as may be determined by the Audit Committee from time to time.
- k. **“Key Managerial Personnel”** or **“KMP”** shall have the meaning as defined in the Companies Act 2013
- l. **“Ordinary Course of Business”** if the transactions satisfy any of the following criteria, such transactions will be generally considered as in the Ordinary Course of Business:
- i) The memorandum of association of the Company should cover such transaction;
  - ii) There are previous instances of the Company having carried out such transaction;
  - iii) These transactions are frequent over a period of time;
  - iv) The transactions are in furtherance of the business objectives of the Company or are important to the business objective of the Company;
  - v) The transactions are incidental to the FMCG industry/ part of standard industry practices or are usual transactions of the FMCG industry in order to conduct business operations

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable







**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

law or regulation.

### **3. Materiality Thresholds**

Regulation 23 of the Listing Regulations requires a company to provide materiality thresholds for transactions beyond which approval of the shareholders through resolution will be required and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

The Company has fixed its materiality threshold at Rs 1,000 crore or 10% of the annual consolidated turnover of the Company as per last audited financial statements of the Company, whichever is lower, for the purpose of Regulation 23 of the Listing Regulations.

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% (five percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

### **4. Manner of dealing with Related Party Transactions**

#### **4.1 Identification of Related Parties**

The Company shall periodically identify and update the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation 2 of the Listing Regulations.

Every Director and Key Managerial Personnel (KMP) shall, at the time of appointment, annually and whenever there is any change in the information already submitted, provide the requisite information about all persons, firms, entities in which he is interested, whether directly or indirectly, to the Company Secretary.

On the basis of the above referred information received and basis the Act and the Listing Regulations, a consolidated list of related parties shall be prepared.

#### **4.2 Identification of Related Party Transactions**

The Company shall identify related party transactions in accordance with Section 188 of the Act and Regulation 2 of the Listing Regulations (as amended from time to time).

The Company shall also determine whether the transaction(s) is in the ordinary





**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

course of business and at arm's length basis and for this purpose, the Company may seek external expert opinion, if necessary.

**4.3 Procedure for approval of Related Party Transactions**

**4.3.1 Approval of the Audit Committee**

A. All related party transactions and subsequent Material Modifications thereto shall require prior approval of the Audit Committee (with effect from January 1, 2022, only Independent Directors, who are members of the Audit Committee, shall review and approve the related party transactions), whether at a meeting or by resolution through circulation.

B. All Related Party Transactions to which subsidiary of the Company is a party to but Company is not a party; the value of which exceed the thresholds as prescribed under Regulation 23 of the Listing Regulations shall require prior approval of the Audit Committee.

Above prior approval of the Audit Committee shall not be required in cases where the subsidiary is a listed entity and Regulations 23 and 15(2) of the Listing Regulations are applicable to such listed subsidiary.

C. However, the Company may obtain omnibus approval from the Audit Committee for such transactions, subject to compliances with the following conditions:

a. The Audit Committee shall, after seeking guidance of the Board of Directors, specify the criteria for granting the omnibus approval in line with this Policy and such approval which shall include the following namely:

- i) Maximum value of the transaction, in aggregate, which can be allowed under the omnibus route in a financial 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 the omnibus approval by the Audit Committee.

b. The Audit Committee shall consider the following factors while specifying the







**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

criteria for making omnibus approval, namely:-

- i) repetitiveness of the transactions (in past or in future);
  - ii) justification for the need of omnibus approval
- c. 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;
- d. The omnibus approval shall provide details of (i) the name/s of the related party and its relationship with the Company and/or its subsidiary, nature of transaction, period of transaction, maximum aggregated value of the particular type of transaction that can be entered into, (ii) basis of arriving at the indicative base price/ current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit.
- e. The maximum value of the transactions, in aggregate, which can be allowed under omnibus route in a financial year, will be **10% of the annual consolidated turnover** of the Company as per its last audited financial statements.
- f. 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 Rupees 1 crore per transaction.
- g. The Audit Committee shall review, at least on a quarterly basis, the aggregated value and other details of related party transactions transacted into by the company pursuant to the omnibus approval given;
- h. Such omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after expiry of such financial year.
- i. Transaction of following nature will not be subject to the omnibus approval of the Audit Committee:
- i. Transactions which are not at arm's length or not in the ordinary course of business
  - ii. Transactions which are not repetitive in nature
  - iii. Transactions exceeding materiality thresholds as laid down in Clause 3 of the Policy
  - iv. Transactions in respect of selling or disposing of the undertaking of the Company
  - v. Financial Transactions e.g., Loan to related parties, Inter Corporate Deposits,





**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

subscriptions to bond, debenture or preference shares issued by the related parties, corporate guarantee given/received from related parties

vi. Any other transaction the Audit Committee may deem not fit for omnibus approval

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

- D. On an annual basis, the Company would approach the Audit Committee for the approval of all anticipated related party transactions for the next financial year as per details specified above.
- E. In case any member of the Committee is interested in any potential Related Party Transaction, such member shall abstain from voting when such transaction is being considered.
- F. The requirement for seeking Audit Committee approval for related party transactions shall not be applicable to transactions between the Company and its wholly owned subsidiary/ies or between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company.

#### **4.3.2 Approval of the 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 not at arm's length basis, are placed before the Board for its approval.

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

- a) Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per this Policy determined by the Board from time to time (i.e. value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
- b) Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;
- c) Transactions which are in the ordinary course of business and at arm's length







**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

basis, but which as per Audit Committee, requires Board approval;

- d) Transactions exceeding the materiality thresholds laid down in Clause 3 of the Policy and any subsequent Material Modification to a Material Related Party Transaction, which are intended to be placed before the shareholders for approval;
- e) Where any Director is concerned or interested in any potential Related Party Transaction, such Director shall abstain from voting when such transaction is being considered.

#### **4.3.3 Approval of the Shareholders:**

All the transactions with related parties exceeding the materiality thresholds, laid down in Clause 3 of the Policy, and any subsequent Material Modification to a Material Related Party Transaction, are placed before the shareholders for approval.

For this purpose, all entities falling under the definition of related parties, irrespective of whether the entity is a party to the particular transaction or not, shall abstain from voting on such resolution. Material Modifications to the said Related Party Transactions shall also require prior approval of the Shareholders.

In addition to the above, all kinds of transactions specified under Section 188 of the Act which

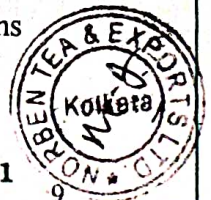
(a) are not at Arm's Length or not in the ordinary course of business; and (b) exceed the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 are placed

before the shareholders for its approval.

However, the requirement of shareholders' approval shall not be applicable for transactions entered into:

- (i) between the Company and its wholly-owned subsidiary or
  - (ii) 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.

Above prior approval of the Shareholders shall not be required in cases where the subsidiary is a listed entity and Regulations 23 and 15(2) of the Listing Regulations are applicable to such listed subsidiary.



Also, requirements for shareholders' approval shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

#### **4.3.4 Transactions for which separate approval for Related Party Transaction is not required**

The transactions or arrangements which are specifically dealt under the separate provisions of the Law and executed under the separate approvals/procedures from relevant competent authority or Board Committee shall be deemed to be approved under this Policy and are not required to be separately approved under this Policy.

Such transactions are enumerated as below:

- a) Transaction pertaining to appointment and remuneration of Directors and Key Managerial Personnel (including any variations thereto) that has already been approved by the Nomination and Remuneration Committee and the Board of Directors of the Company
- b) Share based incentive plans (including ESOPs) for the benefits of the Directors and/or Key Managerial Personnel, pursuant to the approval of the Shareholders
- c) Any benefits, interest arising to Related Party solely from the ownership of Company's shares at par with other holders, for example, dividends, right issues, stock split or bonus shares approved by the Nomination and Remuneration Committee or any other Board composed committee.
- d) Contribution to Corporate Social Responsibility (CSR) obligations, which are approved by the CSR Committee and within the overall limits approved by the Board of Directors of the Company.

#### **5. Disclosures & Reporting**

The Company shall disclose, in its Annual Report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or not at arm's length basis along with the justification for entering into such transaction. Further, the Company will disclose all transactions with promoter/promoter group entities in the format prescribed in the relevant accounting standards, for annual results.

In addition to the above, the Company shall also provide details of all related party



transactions exceeding the materiality threshold (laid down in Clause 3 of the Policy above) on a quarterly basis to the stock exchanges along with the compliance report on corporate governance pursuant to Listing Regulations.

Further, the Company shall submit to the stock exchanges on half-yearly basis, within the time as prescribed by SEBI from time to time, the disclosures of related party transactions in the format as may be specified by SEBI from time to time, and publish the same on the website of the Company.

This Policy shall be disclosed on the website of the Company and a web link to the policy shall be provided in the Annual Report.

## **6. Related Party Transactions not approved under this Policy**

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all the relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction.

In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation by the defaulting person (as may be decided by the Audit Committee) to the related party or the Company, as the case may be, etc.

## **7. Effective Date**

The Policy as approved by the Board of Directors shall be effective from April 1, 2024 and shall supersede the earlier policy approved by the Board in this regard from that date.

In case of any amendment pursuant to regulatory change, such amendment shall become effective from the date as specified by such regulatory requirement.

In connection with any review/approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

## **8. Review/Amendment of this Policy**

The adequacy of this Policy shall be reviewed and reassessed by the Audit Committee





**NORBEN TEA & EXPORTS LTD**

**CIN : L01132WB1990PLC048991**

periodically and appropriate recommendations shall be made to the Board to update the Charter based on the changes that may be brought about due to any regulatory amendments or otherwise.

This Policy will be reviewed by the Board of Directors, at least once in every three years or as and when there are material changes in the regulations/laws relating to Related Party Transactions, as may be recommended by the Audit Committee.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

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\*Inserted by the Board in its Meeting held on 13<sup>th</sup> February, 2024.

Signed

For NORBEN TEA & EXPORTS LTD.

Mg. Director