

Policy on dealing with Related Party Transactions

Peninsula Land Limited

Policy on dealing with Related Party Transactions

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VERSION DETAILS

Sr. No.	Details of Changes	Date of Creation/ Change	Department	Author	Version Number	Approved By
1	Original Document		Corporate Secretarial			
2	Changes due to amendments in the regulatory provisions i.e. Material modifications, expansion of purview of related parties and related parties transactions	February 05, 2026	Corporate Secretarial	Pooja Sutradhar		

Policy on dealing with Related Party Transactions

1. Introduction

Peninsula Land Limited believes in adhering to highest ethical standards, transparency and accountability in conduct of its business and recognizes the fact that certain relationships can present potential or actual conflicts of interest which may raise questions about whether transactions associated with such relationships are consistent with Company's and its stakeholders' best interests.

In order to strive towards achieving highest standards of corporate ethics & transparency and adhering to an appropriate governance framework, the Company ensures that such Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements to which the Company is subject.

The Board of Directors (the "Board") of Peninsula Land Limited (the "Company") has reviewed and modified in its earlier Board meeting and approved Policy on Related Party Transactions (the "Policy") in accordance with the provisions of Section 188 of the Companies Act, 2013 ('the Act') and rules there-under, as amended from time to time and read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the "Listing Regulations") which sets out a framework for identification of related parties, approval of Related Party Transactions (RPT) and the proper conduct and documentation of all Related Party Transactions. This Policy as framed and implemented by the Audit Committee has been modified in lines with the latest applicable legal provisions as may be applicable.

2. Purpose

The objective of the Policy is to frame a policy to deal with Related Party Transactions including formulating a policy on materiality of Related Party Transactions, clear threshold limits and also lay down mechanism for identification, approval, review and reporting of such transactions

3. Definitions

"Act" means Companies Act, 2013 and the Rules framed there under including any statutory modifications or re-enactments thereof.

"Arm's Length Transaction" shall have the meaning ascribed to such term under section 188 of the Act.

"Associate Company" shall have the meaning ascribed to such term under sub-section (6) of Section 2 of the Act.

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“Audit Committee or Committee”: Audit Committee is the committee which is constituted by the Company pursuant to section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the LODR.

“Board” means Board of Directors of the Company.

“Body Corporate” shall have the meaning ascribed to such term under sub-section (11) of Section 2 of the Act.

“Control” shall have the meaning ascribed to such term under sub section (27) of Section 2 of the Act.

“Compliance Officer” means Company Secretary of the Company.

“Holding Company” in relation to one or more Companies means a Company of which such Companies are Subsidiary Companies as per sub-section (46) of Section 2 of the Act.

“Industry Standards” shall mean the Industry Standards on “Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)” as notified by SEBI vide its circular dated February 14, 2025 and amendments thereof.

“Key Managerial Personnel” (“KMP”) shall have the same meaning ascribed to such term under sub-section (51) of Section 2 of the Act.

“Material Related Party Transaction” 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 the following:

Consolidated Turnover of Listed Entity	Threshold
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than Rs. 40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5000 Crores, whichever is lower.

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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(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

“Materiality Threshold” means limits for Related Party Transactions beyond which the shareholders' approval will be required as specified in Act and rules thereof and amendments thereto.

“Net Worth” shall have the meaning ascribed to such term under sub-section (57) of Section 2 of the Act.

“Office or Place of Profit” shall have the meaning ascribed to such term under section 188 of the Act.

“Ordinary course of business” if transactions satisfy any of the following criteria, such transactions will be generally 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 transaction should be in furtherance of the business objectives of the Company; V. The transactions, if not frequent, are important to the business objectives of Peninsula Land Limited; VI. The transactions are incidental to industry/ part of standard industry practice or but for which the business would be adversely affected. This is not exhaustive criteria and the Company should assess each transaction considering its specific type, nature, value and circumstances.

“Related Party” shall have the meaning ascribed to such term under Regulation 2(1) (zb) of the Listing Regulations and under sub-section (76) of Section 2 of the Act.

“Relative” shall have the meaning ascribed to such term under sub-section (77) of Section 2 of the Act and under Regulation 2(1) (zd) of the Listing Regulations.

“Related Party Transaction” shall have the meaning ascribed to such term under Regulation 2(1) (zc) of the Listing Regulations and under Section 188 of the Act, as amended from time to time.

“Securities” means the Securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulations) Act, 1956.

“Subsidiary Company” or **“Subsidiary”**, in relation to any other Company (that is to say the Holding Company), as per the sub-section (87) of Section 2 of the Act means a Company in which the Holding Company

i. Controls the composition of the Board of Directors; or

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- ii. Exercises or controls more than 1/2 (one-half) of the total voting power either at its own or together with one or more of its Subsidiary Companies.

“**Turnover**” shall have the same meaning as specified under section 2(91) of the Companies Act, 2013

“**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, the Listing Regulations or any other applicable law or regulation, each as amended.

4. Interpretation

In case of any dispute or difference upon the meaning/interpretation of any provision in the Policy, the same shall be referred to the Audit Committee and the decision of the Audit Committee in such a case shall be final. In interpreting such term / provision, the Audit Committee may seek the help of any of the officers of the Company or an outside expert as it deems fit.

5. Manner of dealing with Related Party Transaction

I. Identification/Updating of Related Party

A. Identification of Related Party:

Every Director and Key Managerial Personnel will be responsible for providing a declaration in the format as per Annexure 1 containing the following information to the Board / Audit Committee on an annual basis:

1. Names of his / her Relatives;
2. Partnership firms in which he / she or his / her Relative is a partner;
3. Private Companies in which he / she or his / her Relative is a member or Director;
4. Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital;

B. Updating of Related Party

Every Director and the Key Managerial Personnel will also be responsible to update the Board / Audit Committee of any changes in the above relationships, directorships, holdings, interests and / or controls immediately on happening of event or him / her becoming aware of such changes, whichever is earlier.

The database will be updated whenever necessary and will be reviewed at least once a year

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jointly by the Company Secretary and Chief Financial Officer of the Company.

C. Responsibilities of Company Secretary:

The Company Secretary shall be responsible to maintain an updated database of information pertaining to Related Parties reflecting details of –

1. All Directors and Key Managerial Personnel;
2. All individuals, partnership firms, companies and other persons as declared and updated by Directors and Key Managerial Personnel;
3. Company's subsidiary companies and associate companies;
4. All Peninsula Land Limited Group entities; and
5. Any other entity which is a Related Party as defined under Section 2(76) of the Companies Act, 2013 read with the relevant Listing Regulations or the relevant Accounting Standard/IND AS

II. Identification of Related Party Transactions

Every Director, Key Managerial Personnel is responsible for providing Notice to the Board or Audit Committee of any potential Related Party Transaction involving him/her or his/her relative, including any additional information about the transaction that the Board or Audit Committee may request. The Board shall record the disclosure of Interest and the Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The Notice relating to disclosure of potential Related Party Transaction shall be received in well advance so that the Audit Committee has adequate time to obtain and review information about the proposed transaction.

III. Approving Authority

A. Approval of Audit Committee:

- All RPTs shall be referred to the Audit Committee for prior approval, irrespective of its materiality, whether at a meeting or by passing of a circular resolution.

Any subsequent material modifications shall also be referred to the Audit Committee for prior approval, whether at a meeting or by passing of a circular resolution. 'Material Modification' for the purpose of this clause shall mean those modification, amendment or waiver or supplement or consent that have a material impact on the cost or price or timing of a contract.

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1. Quantitative Criteria (Material Modification):

Any modification which has the effect of amending the value of contract, in any respect, which exceeds 20% of the pre- approved related party transaction value or price of such transaction or contract;

2. Qualitative Criteria (Material Modification):

Any modification which the Chief Financial Officer of the Company, jointly with the Chairperson of the Audit Committee, determine to have a material effect.

- All Related Party Transactions of a subsidiary(ies) and subsequent material modifications, to which the Company is not a party shall require prior approval of Audit Committee, 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 standalone turnover, as per the last audited financial statements of the subsidiary or the threshold for material related party transactions of the Company whichever is lower.
- The Company shall consider the guidelines of Industry Standard, being issued from time to time for the minimum information to be placed before the Committee.

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 the 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. remuneration and sitting fees paid by the 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 of the LODR.

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

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 conditions as mentioned in Sub regulation 2(f) of Regulation 3 of the Listing Regulations.

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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.

Omnibus Approval:

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company or its subsidiary, the Committee may grant standing pre –approval / omnibus approval. While granting the approval for related party transactions proposed to be entered into by the Company or its subsidiary, the Audit Committee will satisfy itself of the need for the omnibus approval and that same is in the interest of the Company or its subsidiary.

The omnibus approval shall specify the following:

- ✓ Name(s) of the related party, nature of the transaction, period of the transaction
- ✓ Maximum amount of the transactions that can be entered into
- ✓ Indicative base price / current contracted price and formula for variation in price, if any
- ✓ Such other conditions as the Audit Committee may deem fit.
- ✓ Any other information as may be required to be furnished as per applicable laws

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction unless material terms of the contract or arrangement have been varied / amended. Any proposed variations / amendments to these factors will require a prior approval of the Committee. Omnibus approval shall not be made for transactions relating to disposing of the undertaking of the Company.

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction. The details of such transaction will be reported at the next meeting of the Audit Committee for ratification.

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Audit Committee shall review, at-least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given. The omnibus approval shall be valid for a period of one year and shall require fresh approvals after the expiry of one year.

The Audit Committee for the purpose of the omnibus approval shall take into account the *Criteria specified by the Board under Rule 6A of the Companies (Meetings of Board & Its Powers) Rules, 2014.*

	Particulars	Criteria
a)	maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year	Rs. 500 crores
b)	the maximum value per transaction which can be allowed	Rs. 100 crores
c)	extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval	(a) name of the related parties; (b) nature and duration of the transaction; (c) maximum amount of transaction that can be entered into; (d) the indicative base price or current contracted price and the formula for variation in the price, if any; (e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction; and (f) minimum information about the RPTs as per the provisions of the Industry Standards
d)	review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made.	Quarterly
e)	Transactions which cannot be subject to the omnibus approval by the Audit Committee.	Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

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B. Approval of the Board of Directors

- Transactions with the related parties which are not in ordinary course of business and/or not at arm's length price but whose value is within the thresholds limits as prescribed in Section 188 of the Act read with rules made there under shall along with the approval of Audit Committee also require approval of the Board.
- Transactions meeting the materiality thresholds which are intended to be placed before the shareholders for approval.

C. Approval of the Shareholders of the Company

All Material Related Party Transactions and subsequent material modifications under the Listing Regulations shall require prior approval of the shareholders by way of a resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

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.

The Company shall consider the guidelines of Industry standard, being issued time to time for the minimum information to be placed before the shareholders of the Company.

[Further, the information as prescribed under the Companies Act, 2013 and/or the SEBI Listing Regulations read with industry standard, from time to time shall be provided in the Notice to the shareholders for consideration of RPTs.]

Provided that the transactions entered into between a holding company and its wholly owned subsidiary; between two wholly owned subsidiaries, whose accounts are consolidated with such holding company and placed before the shareholders general meeting for approval, shall not require shareholders' approval.

6. Deemed Approval

The transactions or arrangements which are specifically dealt under the separate provisions of the Law and executed under separate approvals/procedures from relevant competent authority or committee shall be deemed to be approved under this Policy. Such transactions are enumerated below:

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- a) Any benefits, interest arising to Related Party solely from the ownership of Company shares at par with other holders, for example, dividends, rights issues, stock split or bonus shares, subdivision or consolidation of securities, and buy-back of securities.
- b) Contribution with respect to Corporate Social Responsibility to eligible entity pursuant to approval of Board or the Corporate Social Responsibility Committee.
- c) 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.

7. Exemption from Obtaining Approval for Related Party Transaction under the Listing Regulations

As per the provisions of the Act and the sub-regulation (5) of Regulation 23 of the Listing Regulations, following transactions are exempted from obtaining prior approval.

- transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the Shareholders at the general meeting for approval.
- 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.
- transactions 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

8. Ratification of the Related Party Transactions

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 placed as promptly as practicable before the Audit Committee. The Audit Committee shall consider all relevant facts and circumstances respecting such transaction and will evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company will take such action as the Committee deems appropriate under the circumstances. The failure to seek ratification of the audit committee 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 conditions as mentioned in Sub regulation 2(f) of Regulation 23 of the Listing Regulations shall render related party transactions voidable at the option of the audit committee and if the transaction is with a related party to any director or is authorized by any director, the director(s) concerned shall indemnify the Company against any losses incurred.

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9. Reporting of Related Party Transactions

- The Company shall disclose, in the Board's 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.
- The Company shall place all the information, as specified in Industry Standards read with the provisions of the Listing Regulations, Companies Act, 2013 as well as additional information specified by SEBI from time to time, for review of the Audit Committee while seeking prior approval of the RPTs.
- The Company shall place all the information, as specified in Industry Standards read with the provisions of the Listing Regulations, Companies Act, 2013 as well as additional information specified by SEBI from time to time, in the Statement to the notice being sent to shareholders seeking their approval for proposed RPTs as applicable.
- The Company shall submit enhanced disclosure of information related to RPTs to be provided to the stock exchanges every six months on the date of publication of its standalone and consolidated financial results, also publish the same on its website.
- All newly appointed Directors and Officials must disclose their interests in companies, firms, or associations of individuals at their first Board meeting and thereafter annually, as required under Section 184 of the Companies Act. Further, every Director, Official, or KMP shall, within 30 days of appointment or cessation, disclose their concern or interest (including shareholding) in any company, body corporate, firm, or individual, along with any contracts or arrangements where they have direct or indirect interest, in accordance with Sections 184 and 189 of the Act.
- Any Director or Official who, individually or jointly, holds more than 2% shareholding in any company or body corporate, or holds more than 20% of voting power, or is a promoter, manager, or Chief Operating Officer in such entity, shall promptly disclose any proposed contract or arrangement with such entity to the Company.
- Additionally, any Director, Official, or KMP shall immediately notify the Company of any material interest that they or their relatives have, had, or may have in any Related Party Transaction, including details and the aggregate amount.

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- Disclosures in relation to related party transactions shall be made in the financial statements of the Company. [Section 188(2) of the Act and IND AS 24].

This Policy will be uploaded on the website of the Company at www.peninsula.co.in and a web-link to the Policy shall be provided in the Annual Report of the Company.

10. Arm's Length

Any transaction *viz.* sale/ purchase of products, goods, or availing/ rendering of services in the normal course of business would be levied upon applying appropriate methods *viz.* Comparable uncontrolled price (CUP), Resale price method (RPM), Cost plus method (CPM), Profit split method (PSM), Transactional net margin method (TNMM). Or such other methods as may be adequate under applicable laws.

Contracts/ arrangements with Company's subsidiaries and group companies would result in Related Party Transactions. Generally, such contracts/ arrangements would be in the Ordinary Course of Business. Once such contracts/ arrangements are approved by the Audit Committee, transactions arising out of same would not be subject to evaluation when they are executed. The Chief Financial Officer of the Company is authorized to continuously monitor the process contained herein.

11. Procedure

Chief Financial Officer of the Company will refer the Related Party Transactions to the Audit Committee for such approval and material Related Party Transactions to the Board for its approval. Material RPTs after approval of the Board shall be taken up for approval of shareholders at a general meeting.

Chief Financial Officer of the Company will bring the deviations, to the Audit Committee/ Board for ratification.

12. Policy Review

This Policy will be reviewed as and when required but at least once in three years.

13. General

- Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act/Rules/Regulations or re-enactment, impacting the provisions of this

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Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and/or amended to that extent, even if not incorporated in this Policy.

- In the event of any conflict between the provisions of the Listing Regulation / Companies Act, 2013, or in case of any omission of any of the provisions of the Listing Regulation / Companies Act, 2013, the provisions of the Listing Regulation / Companies Act, 2013, as amended shall prevail or be applicable, as the case may be.

- Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.
