

TATA HOUSING DEVELOPMENT COMPANY LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

1. PREAMBLE

This Related Party Transactions ("RPT") Policy ("Policy") has been formulated in accordance with the requirements of the Companies Act, 2013 ("the Act") and the rules made thereunder, to ensure proper approval, reporting, disclosure and oversight of transactions with related parties. The Policy aims to ensure transparency, avoid conflict of interest, and safeguard the interest of the Company and its stakeholders.

2. PURPOSE

The purpose of this Policy is to:

- Establish a framework for identification, review, approval and monitoring of RPTs under Section 188 of the Act.
- Ensure that all RPTs are entered into in the ordinary course of business and on an arm's-length basis, except where otherwise permitted under law.
- Outline the responsibilities of the Audit Committee, in accordance with Section 177 of the Act, including the mechanism for prior approval, omnibus approval and subsequent review of Related Party Transactions.
- Ensure compliance with the disclosure obligations under the Companies Act and applicable rules.
- Prevent the occurrence of any actual or potential conflict of interest arising from the transactions with related party.

3. 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.

"Company" means Tata Realty and Infrastructure Limited

Any contract or arrangement with a related party, whether entered into individually or taken together with previous transactions during a financial year exceeds the threshold prescribed under Section 188 of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.

"Ordinary Course of Business ('OCB')" means a transaction or activity that is carried out in the normal course of business envisaged in accordance with the Memorandum of Association ('MoA') of the Company as amended from time to time, and/or historical practice with a pattern of frequency, or in connection with the normal business carried on by the Company and customary and consistent with common commercial practice in the relevant industry.

provided that such transaction or activity is not exceptional, extraordinary, or material in nature and does not fall outside the Company's normal operational activities.

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The determination of whether a transaction constitutes OCB shall be made by the Board of Directors or the Audit Committee, acting in good faith and in accordance with applicable law, and such determination shall be final and binding.

“**Related Party**” means a related party as defined under Section 2 (76) of the Act.

“**Related Party Transaction**” (**RPT**) means related party transaction as defined under Section 188 of the Act.

“**Subsidiary**” means a subsidiary as defined under sub-section (87) of section 2 of the Act

“**Relative**” means relative as defined under section 2(77) of the Act.

Any other term not defined herein shall have the same meaning as defined under the Act as amended from time to time.

4. POLICY

- 1.** All Related Party Transaction(s) shall be entered on arms' length basis.
- 2.** In exceptional circumstances and only where permitted under the Act, the Company may enter into Related Party Transaction(s) that are not at arm's length, subject to the requisite approvals from the Audit Committee, the Board of Directors and/or the shareholders, as the case may be.
- 3.** All Related Party Transaction(s) of the Company shall be in compliance with the provisions of the Act and rules made thereunder as amended from time to time.

5. PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTIONS

All Related Party Transactions and subsequent modification shall require prior approval of Audit Committee unless otherwise specifically exempted under the provisions of Act.

Any member of the Board/Committee who has a potential interest in any Related Party Transaction shall not remain present at the meeting when such Related Party Transaction is considered.

Any Contract or Arrangement with Related Party as referred under Section 188 of the Act, which is not in the ordinary course of business or not at arm's length, shall require prior approval of the Board of Directors or Shareholder, as the case may be.

All related party transactions shall require approval of the Audit Committee and the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to the following conditions, namely:

- 1.** The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall include the following,:

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- a) maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
 - b) the maximum value per transaction which can be allowed;
 - c) extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval
 - 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.
 - e) transactions which cannot be subject to the omnibus approval by the Audit Committee
2. The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:
- whether the transactions are repetitive in nature, either undertaken previously or proposed to be undertaken in the future;
- a) the justification for granting omnibus approval for such transactions
3. The Audit Committee shall satisfy itself for transactions of repetitive nature and that the company
4. The omnibus approval shall contain or indicate the following:
- 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; and
 - e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction:

Where the need for related party transaction cannot be foreseen and aforesaid details are not available, Audit Committee may make omnibus approval for such transactions subject to their value does not exceed Rupees One Crore per transaction

5. Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.
6. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company

6. RELATED PARTY TRANSACTIONS THAT SHALL NOT REQUIRE APPROVAL

Transactions expressly exempted by the Act as may be amended from time to time shall not be required to be approved by the Audit Committee, the Board, or the shareholders, as the case may be.

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7. RATIFICATION OF RELATED PARTY TRANSACTIONS IN EXCEPTIONAL CASES

- i. Any Related Party Transaction involving an amount not exceeding Rs 1 Crore, which is entered into by a Director or Officer of the Company without obtaining prior approval of the Audit Committee and which is not ratified by the Audit Committee within three months from the date of the transaction, shall be voidable at the discretion of the Audit Committee. In such cases, if the transaction involves a related party of any Director, or if it has been authorised by any other Director, the concerned Director shall be required to indemnify the Company for any loss incurred as a result of the transaction.
- ii. Any contract or arrangement entered into by a Director or any other employee without obtaining the prior consent of the Board or the approval of the shareholders as required and which is not ratified by the Board or, as applicable, by the shareholders within three months from the date of such contract or arrangement, shall be voidable at the discretion of the Board or as the case may be, the shareholders. In such circumstances, if the contract or arrangement is with a related party of any Director, or has been authorised by any other Director, the concerned Director shall indemnify the Company for any loss incurred as a result of such contract or arrangement.
- iii. Approval for such exceptional Related Party Transactions shall be granted by the Audit Committee and/or Board of Directors, as the case may be on merit and approval of the shareholders by way of Resolution shall also be obtained, wherever required.
- iv. While seeking the approval of the Audit Committee, Board or the Shareholders, all information that is relevant and necessary to the Related Party Transaction and as prescribed under the Act, and any other laws or by the Audit Committee or the Board, shall be duly provided to the Audit Committee, Board or Shareholders, as the case may be.
- v. Any Related Party Transaction entered into without the requisite approvals shall be promptly reported by the concerned Director, Officer or employee to the Company Secretary for placing before the Audit Committee and/or Board for ratification.
- vi. Repeated instances of entering into Related Party Transactions without prior approval shall be viewed seriously.

8. REVIEW OF THE POLICY

The adequacy of this Policy shall be periodically reviewed by the Audit Committee and Board from time to time to make it consistent with any regulatory amendments in the provisions of the Act and Rules framed thereunder. Any changes or modification on the Policy as recommended by the Audit Committee would be presented for approval of the Board.

9. AMENDMENTS

Any subsequent amendment / modification in the Act or any other governing Act / Rules / Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply, and this policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy.

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VERSION HISTORY

Version	Approved by	Approval Date	Effective Date	Section Modified
00	Board	28-May-2022	As mentioned by SEBI from time to time	Adoption
01	Board	31-Jan-2025	31-Jan-2025	All
02	Board	27-May-2026	27-May-2026	All