



## POLICY ON RELATED PARTY TRANSACTIONS

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### 1. PREAMBLE

The Board of Directors (the “Board”) of Ansal Housing Limited (the “Company or AHL”) has adopted the Policy on Related Party Transactions (“Policy”) upon the recommendation of the Audit Committee and the said Policy includes the materiality threshold and the manner of dealing with Related Party Transactions in compliance with the requirements of Section 188 of the Companies Act, 2013 and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

The amendment in the aforesaid policy is made in compliance with SEBI (Listing Obligation and Disclosure Requirement) (Sixth Amendment) Regulations, 2021. This revised policy has been approved by the Board of Directors of the Company in its meeting held on 11<sup>th</sup> February, 2022 and shall become effective from 01<sup>st</sup> April, 2022.

### 2. OBJECTIVE

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard.

### 3. DEFINITIONS

“**Audit Committee or Committee**” means the Committee of the Board constituted from time to time under the provisions of Section 177 of the Companies Act, 2013 and as per Regulation 18 of Listing Regulations.

“**Board**” means the Board of Directors as defined under the Companies Act, 2013.

“**Key Managerial Personnel**” means Key Managerial Personnel as defined under sub section 51 of Section 2 of the Companies Act, 2013, and includes:

- a) the Chief Executive Officer or the managing director or the manager;
- b) the Company Secretary;
- c) the Whole-time Director;
- d) the Chief Financial Officer;
- e) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- f) such other officer as may be prescribed

**“Material modifications”** in relation to any transaction shall mean modification of such transaction resulting in change of more than 10% of the total monetary value of such transaction as last approved.

**“Material Related Party Transaction”** means a Related Party Transaction which individually or taken together with previous transactions during the financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

**“Related Party”** means related party as defined under Section 2 (76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations.

*Provided that:*

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- (b) any person or any entity, holding equity shares:
  - (i) of twenty per cent or more; or
  - (ii) of ten per cent or more, with effect from April 1, 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; shall be deemed to be a related party”*

**“Related Party Transaction (RPT)”** means transactions as given under clause (a) to (g) of subsection (1) of Section 188 of the Act and the corresponding Rules thereto and as defined in clause (zc) of Regulation 2 of the Listing Regulations. These include sale, purchase, leasing or supply of goods or property, availing/ rendering of any services, appointment of agents for any of these transactions, underwriting of securities and transfer of resources, services or obligations between (i) the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries of the other hand or (ii) 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 of a group of transactions in a contract.

*Provided that the following shall not be a related party transaction:*

- (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) the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
  - i. payment of dividend;
  - ii. subdivision or consolidation of securities;
  - iii. issuance of securities by way of a rights issue or a bonus issue; and
  - iv. buy-back of securities.
- (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:

*Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);*

**“Relative”** means a relative as defined under Section 2 (77) of the Companies Act, 2013 and includes anyone who is related in any of the following manner –

- a. Members of a Hindu undivided family;
- b. Husband or wife;
- c. Father (including step-father);
- d. Mother (including step-mother);
- e. Son (including step-son);
- f. Son’s wife;
- g. Daughter;
- h. Daughter’s husband;
- i. Brother (including step-brother); or
- j. Sister (including step-sister).

**“Associate Company”** in relation to AHL, means a company in which AHL has a significant influence, but which is not a subsidiary company of the AHL and includes a joint venture company.

#### 4. POLICY

##### I. AUDIT COMMITTEE

*All RPTs shall be referred to the Audit Committee for prior approval, irrespective of its materiality. The Audit Committee shall also approve any subsequent material modification of RPTs. Only those members of the audit committee, who are independent directors, shall approve related party transactions.*

*Prior approval of the Audit Committee is required for the following Related Party Transactions.*

*(a) Where Company is a party.*

*(b) Where subsidiary of a Company is a party but the Company is not a party, where value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the listed entity;*

*(c) with effect from April 1, 2023, where subsidiary of a Company is a party but the Company is not a party, where value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary;*

*(d) Transaction of the Company and/or its subsidiaries with unrelated parties, the purpose and effect of which is to benefit the related parties of the Company or any of its subsidiaries*

In exceptional cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Committee may ratify the transactions in accordance with this Policy.

Every Director and Key Managerial Personnel will be responsible for providing a declaration in the format as per **Annexure 1** to the Company Secretary on an annual basis:

Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in the above relationships, directorships, holdings, interests and / or controls immediately on him / her becoming aware of such changes.

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 holding company, subsidiary companies and associate companies;
4. Subsidiaries of holding company;
5. Director or Key Managerial Personnel of the holding company or their Relatives;
6. All AHL Group entities; and
7. Any other entity which is a Related Party as defined under Section 2(76) of the Companies Act, 2013 read with Regulation 2(1)(zb) of the Listing Regulations or the relevant Accounting Standard.

The database shall be updated whenever necessary and shall be reviewed at least once a year jointly by the Company Secretary and Chief Financial Officer. The functional / business heads / Chief Financial Officer / Company Secretary/ shall have access to the updated database.

Every Director, Key Managerial Personnel, Functional / Business heads / Chief Financial Officer will be responsible for providing prior Notice to the Company Secretary of any potential Related Party Transaction.

The suggested details and list of records and supporting documents which are required to be provided along with the Notice of the proposed transaction are provided in **Annexure 2** this Policy.

The Company Secretary in consultation with the Chief Financial Officer may refer any potential related party transaction to any external legal/transfer pricing expert and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee. Based on this Notice, the Company Secretary will take it up for necessary approvals under this Policy.

## **II. CONSIDERATION BY THE COMMITTEE IN APPROVING THE PROPOSED TRANSACTIONS**

While considering any transaction, the Committee shall take into account all relevant facts and circumstances 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.

Prior to the approval, the Committee shall, inter-alia, consider the following factors to the extent relevant to the transaction:

- a. Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;

- b. The business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- c. Whether the Related Party Transaction includes any potential reputational risks that may arise as a result of or in connection with the proposed Transaction; and
- d. Whether the Related Party Transaction would affect the independence or present a 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, Key Managerial Personnel or other Related Party, the direct or indirect nature of the Director's interest, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Committee deems relevant.
- e. While considering the arm's length nature of the transaction, the Committee shall take into account the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party and such other data/information and other circumstantial evidence for examining that the related party transaction has taken place at arm's length.

### **III. APPROVAL BY THE BOARD**

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 Board shall consider and approve the Related Party Transaction at a meeting and 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.

### **IV. APPROVAL BY CIRCULAR RESOLUTION OF THE COMMITTEE**

In the event the Company Management determines that it is impractical or undesirable to wait until a meeting of the Committee to enter into a Related Party Transaction, such transaction may be approved by the Committee by way of circular resolution in accordance with this Policy and statutory provisions for the time being in force. Any such approval must be ratified by the Committee at its next scheduled meeting.

### **V. STANDING PRE-APPROVAL / OMNIBUS APPROVAL BY THE COMMITTEE**

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant standing pre-approval / omnibus approval. While granting the approval the Audit Committee shall satisfy itself of the need for the omnibus approval and that same is in the interest of the Company. The omnibus approval shall specify the following:

- a. The name(s) of the related party, nature of the transaction, period of the transaction, maximum amount of the transactions that can be entered into
- b. Indicative base price / current contracted price and formula for variation in price, if any
- c. Such other conditions as the Audit Committee may deem fit.

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 the price, value or material terms of the contract or arrangement have been varied / amended. Any proposed variations / amendments to these factors shall require a prior approval of the Committee.

Further, where the need of the related party transaction cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the value per transaction not exceeding Rs.1,00,00,000/- (Rupees One Crore only). The details of such transaction shall be reported at the next meeting of the Audit Committee for ratification. Further, the Committee shall on an annual basis review and assess such transactions including the limits to ensure that they are in compliance with this Policy. The omnibus approval shall be valid for a period of one year and fresh approval shall be obtained after the expiry of one year.

## **VI. RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED**

In the event the Company becomes aware of a Related Party Transaction that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practicable before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and ratification.

The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company shall take such action as the Committee deems appropriate under the circumstances.

## **VII. SHAREHOLDERS' APPROVAL**

All material RPTs defined under Regulation 23 of Listing Regulations, whether in ordinary course of business and/or arm's length basis or not, shall require approval of the Board and shareholders, and the related parties shall abstain from voting on such resolutions irrespective of whether the entity is a party to the particular transaction or not.

RPTs exceeding the limits prescribed under the Act and not in ordinary course of business and/or arm's length basis, shall require prior approval of the Board and shareholders, respectively.

## **VIII. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS**

Contracts / Arrangements with related party shall be considered as "material related party contracts/Arrangements if the transactions to be entered into individually or taken together with previous transactions during a financial year under such contracts/Arrangements *exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.*

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 five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

All Material Related Party Transactions *and subsequent material modifications as defined by the audit committee* 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.

## **5. DISCLOSURE AND REPORTING OF RELATED PARTY TRANSACTIONS**

Every Related Party Transaction entered into by the Company shall be referred to in the Board's report to the shareholders along with justification for entering into such transaction. The Company Secretary and the Chief Financial Officer shall be, responsible for such disclosure. The Company Secretary shall also make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

## **6. SCOPE LIMITATION**

In the event of any conflict between the provisions of this Policy and of the Listing Regulations / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Regulations / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

## **7. AMENDMENT**

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

## **8. DISSEMINATION OF POLICY**

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational employees and other concerned persons of the Company and shall be hosted on the website of the Company and web link thereto shall be provided in the annual report of the Company.

## **9. EFFECTIVE DATE**

This amended policy is effective from 1<sup>st</sup> April, 2022.

**ANNEXURE 1**

**NOTICE OF INTEREST BY DIRECTOR / KEY MANAGERIAL PERSONNEL**

To,  
The Company Secretary  
Ansal Housing Limited  
606, 6<sup>th</sup> Floor, Indra Prakash  
21, Barakhamba Road,  
New Delhi - 110001

Dear Sir,

A. I, ....., son/daughter/spouse of ....., resident of ....., holding ..... Equity Shares of Rs. 10/- each (..... percent of the paid-up Capital) in the Company in my name, being a ..... in the Company, hereby give notice that I am interested directly/through my Relatives (Schedule as attached herewith) in the following company or companies, body corporate, firms or other association of individuals:

Sr. No.	Name of the Companies/Bodies Corporate/Firms/ Association of Individuals	Nature of Interest or concern / Change in Interest or Concern	Shareholding	Date on which Interest or Concern arose/changed

B. The Following are the Bodies Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with my advice, directions or instructions;

Sr. No.	Name of the Body Corporate

C. I am accustomed to act on the advice, directions or instructions of the following persons (other than advice, directions or instructions obtained in professional capacity).

Sr. No.	Name of the person	Relation

Signature:  
Name:  
Designation:

Place:  
Date:



## SCHEDULE

### LIST OF RELATIVES

No.	Relationship	Full Name	Address	Shareholding in Ansal Housing Limited
1	Spouse			
2	Father (including Step-Father)			
3	Mother (including Step-Mother)			
4	Son (including Step-son)			
5	Son's Wife			
6	Daughter			
7	Daughter's Husband			
8	Brother (Including Step-Brother)			
9	Sister (Including Step-Sister)			
10	Members of HUF			

## ANNEXURE 2

### INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE / BOARD IN RELATION TO THE PROPOSED RELATED PARTY TRANSACTION (TO THE EXTENT RELEVANT TO THE TRANSACTION):

1. Name of the Related Party and nature of relationship;
2. Nature and duration of the contract/transaction and particulars thereof;
3. Material terms of the contract or arrangement or transaction including the value, if any;
4. In case of existing or approved contracts, transactions, details of proposed variations to the duration, current price / value and / or material terms of the contract or arrangement including a justification to the proposed variations;
5. Any advance paid / received or to be paid / received for the contract or arrangement, if any;
6. Manner of determining the pricing and other commercial terms, whether or not included as part of contract;
7. Copy of the draft MOU, agreement, contract, purchase order or correspondence etc. if any.
8. Applicable statutory provisions, if any;
9. Valuation reports in case of sale or purchase or leasing / renting of capital assets or securities;
10. Justification as to the arm's length nature of the proposed transaction;
11. Declaration whether the transaction is in the ordinary course of business;
12. Persons / authority approving the transaction; and
13. Any other information relevant or important for the Committee / Board to take a decision on the proposed transaction.