

JOYVILLE SHAPOORJI HOUSING PRIVATE LIMITED

CIN: U70109MH2007PTC166942

(formerly known as 'Drashti Developers Private Limited')

POLICY ON RELATED PARTY TRANSACTIONS

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1. INTRODUCTION

The Board of Directors (“**the Board**”) of Joyville Shapoorji Housing Private Limited (formerly known as ‘Drashti Developers Private Limited’) (“**the Company**”), have adopted the following policy and procedures for Related Party Transactions as defined below. The Audit Committee may from time to time review and recommend amendments to this policy to the Board and the Board may amend this policy from time to time.

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

2. OBJECTIVE

The objective of this policy is to ensure proper approval and reporting of transactions between the Company and its Related Parties.

3. DEFINITIONS

“**Audit Committee**” or “**Committee**” means the committee constituted by the Board of Directors of the Company, from time to time, under the provisions of Section 177 of the Companies Act, 2013 and/or Articles of Association of the Company.

“**Board of Directors**” or “**Board**” means the Board of Directors of Joyville Shapoorji Housing Private Limited (formerly known as ‘Drashti Developers Private Limited’), as constituted from time to time.

“**Company**” means Joyville Shapoorji Housing Private Limited (formerly known as ‘Drashti Developers Private Limited’).

“**Key Managerial Personnel**” shall have the same meaning as defined under Section 203 of the Companies Act, 2013 and shall mean:

- (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- (ii) Company Secretary; and
- (iii) Chief Financial Officer.

“**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 ten percent of the annual consolidated turnover of the Company as per the last Audited Financial Statement(s) of the Company.

“**Policy**” means this policy on Related Party Transactions.

“**Related Party**”, in relation to the Company, shall refer to an entity which is:

- (i) a related party under Section 2(76) of the Companies Act, 2013; or
- (ii) a related party under the applicable Accounting Standards;
- (iii) as defined in the Charter documents of the Company, including Shareholders Agreement and Articles of Association of the Company.

The parties specified in Section 2(76) of the Companies Act, 2013 are as under:

- (i) a director or his relative;
- (ii) a key managerial personnel or his relative;
- (iii) a firm, in which a director, manager or his relative is a partner;
- (iv) a private company in which a director or manager or his relative is a member or director;
- (v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;
- (vi) any body corporate whose Board of Directors, managing director and manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act.

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

- (viii) any company which is –
 - (a) a holding, subsidiary or an associate company of such company; or
 - (b) a subsidiary of a holding company to which it is also a subsidiary;
- (ix) a director or key managerial personnel of the holding company or his relative.
- (x) such other person as may be prescribed.

“**Related Party Transaction**” means a transfer of resources, services or obligations between the Company and a Related Party, 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 and shall mean any and all agreements, contracts, arrangements, transactions or similar arrangements (including lending/ investment transactions) between the Company and/or any of its Subsidiaries (on the one hand) and the Promoter and/or any Related Party (on the other hand).

“**Relative**” means relative as defined under the Companies Act, 2013 and, with reference to any person, means anyone who is related to another, if –

- (i) they are members of a Hindu undivided family

- (ii) they are husband and wife; or
- (iii) Father (including step-father);
- (iv) Mother (including step-mother);
- (v) Son (including step-son);
- (vi) Son's wife;
- (vii) Daughter;
- (viii) Daughter's husband;
- (ix) Brother (including step-brother);
- (x) Sister (including step-sister);

“Restated Charter Documents” means the Charter Documents of the Company, as amended to reflect the terms of the Transaction Documents.

4. POLICY

4.1. Identification of potential Related Party Transactions:

Each Director and/or 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 reasonably request.

4.2. Restrictions related to Related Party Transactions

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, namely:-

- (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: -

- (a) repetitiveness of the transactions (in past or in future);
- (b) justification for the need of omnibus approval.

(3) The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the company.

- (4) The omnibus approval shall contain or indicate the following: -
- (a) name(s) 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.

Provided that, where the need for related party transaction cannot be foreseen and aforesaid details are not available, the Audit Committee may make omnibus approval for such transactions subject to their value not exceeding 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.

(7) Any other conditions as the Audit Committee may deem fit.

Further, all Material Related Party Transactions except transactions in the ordinary course of business and / or at arm's length, shall require approval of the shareholders through ordinary resolution.

Nothing contained in this Paragraph 4.2 shall apply to transactions entered into between the Company and its wholly owned subsidiary/ies whose accounts are consolidated with the Company and such consolidated accounts are placed before the shareholders of the Company at the general meeting for approval (such transaction are hereinafter referred to as "Exempted Transactions").

4.3. Review and Approval of Related Party Transactions by Audit Committee

All Related Party Transactions, including Material Related Party Transaction but excluding Exempted Transactions, will be put to the Audit Committee for its review and prior approval in a meeting or by way of circular resolution. Any member of the Committee who has a potential interest in any Related Party Transaction will 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 / loss to the Company, and any other relevant matters.

In determining whether to approve a Related Party Transaction, the Committee may consider all such factors / or may call such information / seek external advice / opinion as it may consider appropriate in its sole judgment.

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 the 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.

5. POST FACTO CONSIDERATION OF RELATED PARTY TRANSACTIONS

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy, the matter shall be reviewed by the Committee. The 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 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.
