



MAX ESTATES LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

PREAMBLE

Related party Transaction

Related party transaction a transaction involving a 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 on 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; 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 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 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:
- d) acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:

For the purpose of clauses (c) and (d) above, acceptance of deposits includes payment of interest thereon.

- e) retail purchases from the Company or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors:

Related Party

An entity shall be considered as related to the Company if (i.) such entity is a related party under Section 2(76) of the Companies Act, 2013; or (ii) such entity is a related party under applicable accounting standard.

Provided that the following shall be deemed to be the related party of the Company :

- a) any person or entity forming a part of the promoter or promoter group of the Company; or
- b) any person or any entity, holding equity shares of (i) of twenty percent or more; or (ii) ten percent or more in the Company 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.

POLICY GUIDELINES

1. There are some ongoing transactions with various related parties which have been perused and approved by the Board from time to time. Although such transactions are in the ordinary course of business and on arm's length basis, yet any modification or fresh arrangement with related parties as listed above shall be approved by the audit committee from time to time.
2. All such Related Party Transactions and subsequent modifications including any material modification thereof to Related Party Transactions shall require prior approval of the Audit Committee of the Company in the manner prescribed under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations) and the Companies Act, 2013. As regards the material modification, the Audit Committee stated that "any variation in the existing approved RPT beyond the cap approved by the Audit Committee should require prior approval of Audit Committee as a fresh RPT item".
3. Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions. Further, a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the audit committee of the Company if the 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 Company.

Further, a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the audit committee of the Company if the 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.

4. 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 following conditions:
- the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
 - the transaction is not material in terms of the provisions of sub-regulation (1) of the regulation;
 - rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
 - the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of the regulation; and
 - any other condition as specified by the audit committee:

Provided that failure to seek ratification of the audit committee shall render the transaction voidable at the option of the audit committee and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the Company against any loss incurred by it."

5. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company or its subsidiary(ies), subject to the compliance of conditions stipulated under Listing Regulations.
6. The Company has fixed the following materiality thresholds for the purpose of Regulation 23(1), 23(1A) and 23(4) of the Listing Regulations.
- all the material Related Party Transactions entered into by the Company, exceeding rupees one thousand crore or 10% of the Annual Consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, will be put up for approval of shareholders during the general meeting and no related party shall vote to approve such transaction whether the entity is a related party to the particular transaction or not.
 - However, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if transaction (s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% of the annual consolidated turnover of the Company as per last audited financial statements of the Company.
7. The prior approval Audit Committee and Shareholders as mentioned above, shall not be applicable for the transactions entered into between (i) the Company and its wholly owned subsidiary and (ii) two wholly-owned subsidiaries of the Company, whose accounts are consolidated with company and are placed before shareholders at the general meeting for approval.
8. While approving the Related Party Transactions, the Board will go through all the material details like (i) whether the transaction is fair to the Company, (ii) whether the Audit Committee

has been made available all of the material facts regarding the transaction or parties involved, (iii) whether the transaction is generally available to an unrelated third-party under the same or similar circumstances and cost, and (iv) the extent of the Related Person's interest in the transaction.

9. The agenda of the Audit Committee / Board meeting, and the notice of the General Meetings/Postal Ballots, where the approval of the shareholders requires pertaining to transactions with related parties, is proposed to be moved, shall disclose the information as may be required under Listing Regulations or any amendment(s) thereof, clarification(s), circular(s), guideline(s), standard(s) etc. issued by the relevant authorities from time to time.
10. Where any director/ member of the Audit Committee is interested in any contract or arrangement with a related party, such director/ member shall recuse himself/ herself and abstain from the discussions on the subject matter of the resolution relating to such contract or arrangement.
11. The Company shall submit disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards, to the stock exchanges and publish the same on its website in the manner prescribed under Regulation 23 of the Listing Regulations. However, effective December 31, 2024, the remuneration and sitting fees paid by the Company or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure under the sub-regulation provided that the same is not material in terms of the provisions of sub-regulation (1) of the regulation.
12. The Board can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s), guideline(s), standard(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 upon the provisions of this Policy and this Policy shall stand amended/ modified accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
13. The provisions of the Companies Act, 2013 and SEBI Listing Regulations, as amended, from time to time, shall be applicable, in case of any conflict with the aforesaid policy.

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Policy Version	Date of Board Approval	Effective Date
(Version 2.0)	August 8, 2025	August 8, 2025
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