



## RELATED PARTY TRANSACTIONS POLICY

Policy Number: CS/003  
Policy Owner: Company Secretariat  
Approved by: Board of Directors  
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20/06/2025, 28/01/2026

### OBJECTIVE

The Board of Directors of **Lodha Developers Limited** (Formerly known as Macrotech Developers Limited) (hereinafter referred to as ("**the Company**"), has adopted this Policy on Related Party Transactions ("**Policy**"). The objective of this Policy is to regulate transactions between the Company and its related parties, based on the laws and regulations applicable to the Company. The policy lays down the framework for appropriate approval and reporting of related party transactions in line with the Company's corporate governance principles i.e. Trust, Transparency, Integrity and ethical business practices.

#### 1. REGULATORY FRAMEWORK

The Policy has been framed as per requirement of applicable laws, including the Companies Act 2013 ("**Act**") together with the rules framed thereunder, regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**"), applicable accounting standards and related circulars, guidelines, clarifications and notifications issued thereunder (together referred to as "**Applicable Laws**") and as amended or modified from time to time.

#### 2. APPLICABILITY

This Policy is applicable to Lodha Developers Limited. The Policy to the extent applicable may be adopted by subsidiary companies.

#### 3. GENERAL GUIDELINES

- 3.1 This Related Party Transactions Policy must be followed for all transactions that the Company enters into with a related party or a transaction which may benefit a Related Party;
- 3.2 This Policy also applies when amending, novating, modifying or terminating an existing contract or agreement or any arrangement between Related Parties;
- 3.3 The value to be ascribed to an amendment or modification of contract which is confirmed as being on ordinary course, arms' length terms is the change in value of the contract from the existing contract to the new contract. For other contracts the value to be ascribed would be the total value of the (new) amended contract;
- 3.4 When determining the value of a transaction to which the Policy applies, the total value of all commitments arising pursuant to the transaction (including taxes) should be taken into account. Any conditional or contingent amounts and the terms under which such amounts would become payable should also be indicated.

#### **4. DEFINITIONS**

**“Arms’ 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.

**“Audit Committee”** means Audit Committee of the Board of Directors of the Company.

**“Key managerial personnel” (KMP)** means (i) Chief Executive Officer or the managing director or the manager; (ii) Company Secretary; (iii) Whole-time director; (iv) Chief Financial Officer; (v) 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 (vi) such other officer as may be prescribed under the Act from time to time.

**“Material Related Party Transaction”** means a transaction with a related party which individually or taken together with previous transactions with a related party during a financial year, exceeds the thresholds specified in the Listing Regulations.

**“Material Modification”** means a modification which individually or taken together with previously approved related transactions, exceeds 10 % of the value (plus or minus) of the original transaction, during a financial year.

**“Ordinary course transaction”:** A transaction could be considered in “ordinary course of business” if:

- a. Covered in the objects clause of the Memorandum of Association of the Company;
- b. Repetitive or frequent in nature
- c. In connection with the normal or routine business carried out by the Company;
- d. Historical practice with a pattern of frequency;
- e. Common commercial or industry practice;
- f. In furtherance of the business objectives / business purposes of the Company;
- g. Meets any other parameters / criteria as decided by the Board from time to time.

**“Related Party”** means a person or entity as defined under the Act or the accounting standards or the Listing Regulations and shall include;

- a. A director or his relative; or
- b. A key managerial person or his relative; or
- c. A firm, in which a director, manager or his relative is a partner; or
- d. A private company in which a director or manager or his relative is a member or director; or
- e. A public company in which a director or manager is a director and holds alongwith his relatives, more than 2% of its paid-up share capital; or
- f. Any body corporate whose Board of Directors, Managing Director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager except where such advice, directions or instructions are given in professional capacity; or
- g. Any person on whose advice, directions or instructions a director or manager is accustomed to act except where such advice, directions or instructions are given in professional capacity; or
- h. Any body corporate which is a holding, subsidiary or an associate company of such

- company; or a subsidiary of a holding company to which it is also a subsidiary or an investing company or the venturer of the Company; or
- i. A Director (other than an independent director) or key managerial personnel of the holding company or his relative; or
  - j. Any person or entity forming part of the the promoter or promoter group of the Company; or
  - k. Any person or entity holding equity shares of 10% or more, either directly or on a beneficial interest basis as provided under Section 89 of the Act, at any time during the immediate preceding financial year.

**“Related Party Transaction (RPT)”** means a transaction between the Company and a related party, regardless of whether a price is charged and shall be construed to include a single transaction or a group of transaction in a contract:

- (i) which is of the nature specified in clauses (a) to (g) of section 188 (1) of the Act; and
- (ii) a transaction involving transfer of resources, services or obligations between the parties specified in regulation 2(1) (zc) of the Listing Regulations;

Transactions specifically exempted under regulation 2(1)(zc) of the Listing Regulations or any other applicable laws shall not be considered as Related Party Transactions.

*Any other term not defined herein shall have the same meaning as assigned to them under applicable laws and regulations for the time being in force.*

## **5. POLICY FRAMEWORK**

### **5.1 Identification of Related Parties**

- 5.1.1 All Directors and KMPs are responsible for providing written notice to the Company informing their concern & interest in the other entities from time to time;
- 5.1.2 On the basis of criteria prescribed under the applicable laws and as per the aforesaid declaration(s)/ disclosure(s)/ notice(s) received from the Directors and KMPs, the list of related parties of the Company and of its subsidiary companies are compiled and updated from time to time;
- 5.1.3 The RPT list shall be updated on real time basis and the identified related parties shall be tagged in the accounting system.

### **5.2 Prior approval of the Audit Committee**

- 5.2.1 Unless otherwise permitted under applicable laws, all Related Party Transactions and subsequent material modifications thereof shall require prior approval of the Audit Committee.
- 5.2.2 Only those members of the audit committee, who are independent directors, shall approve related party transactions. Any member of the Audit Committee, having potential interest in the proposed RPT shall recuse himself and abstain from discussion and voting on the proposal for approval of the said transaction;

5.2.3 Related party transactions above ₹ one crore, whether entered into individually or taken together with previous transactions during a financial year, 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 as follows:

**A. Where the subsidiary has audited financial statements for a period of at least one year**

**Lower of (i) and (ii)**

- (i) 10% of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
- (ii) the threshold for material related party transactions of the Company as specified in the Listing regulations.

**B. Where the subsidiary does not have audited financial statements for a period of at least one year**

**Lower of (i) and (ii)**

- (i) 10% of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or
- (ii) the threshold for material related party transactions of the Company as specified in the Listing regulations.

Provided that the aggregate value of paid-up share capital and securities premium account of the subsidiary shall be taken as on a date, not older than three months prior to the date of seeking approval of the audit committee.

**5.3 Omnibus Approval**

5.3.1 The Audit Committee may grant omnibus approval for Related Party Transactions which are repetitive in nature, subject to such criteria/conditions as mentioned under Regulation 23(3) of the Listing Regulations or any other applicable provisions and such other conditions as it may consider necessary in line with this Policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year;

5.3.2 The Audit Committee may also grant omnibus approval for unforeseen related party transactions in the manner specified under the Listing Regulations;

5.3.3 The Audit Committee shall review (i) details of Related Party Transactions entered into by the Company pursuant to the Omnibus Approval on a quarterly basis.

**6. BOARD APPROVAL**

6.1 The following Related Party Transactions shall require prior approval of the Board of Directors of the Company:

- (i) Transactions in which any of the Directors or the KMPs of the Company are concerned or interested;

- (ii) Transactions specified in Section 188(1) of the Act which are not in the ordinary course of business and/or not on arm's length terms;
- (iii) Material Related Party Transactions which are proposed to be placed before the shareholders for approval;
- (iv) Related Party Transactions where Audit Committee of the Company is of the opinion that the same should be brought before the Board of Directors or if the Board of Directors *suomoto* decides to review any such transaction;
- (v) Related Party Transactions for which approval of the Board of Directors is mandatory under any applicable law for time being in force;
- (vi) Any Material Modification to the Related Party Transactions already approved by the Board of Directors;
- (vii) Any other transaction as may be prescribed by the shareholders from time to time.

6.2 Any Director having a potential interest in the proposed RPT shall recuse himself and abstain from discussion and voting on the proposal for approval of the said transaction.

## **7. SHAREHOLDERS' APPROVAL**

7.1 The following Related Party Transactions shall require prior approval of the shareholders of the Company:

- (i) All Material Related Party Transactions and Material Modifications thereto;
- (ii) Transactions specified in Section 188(1) of the Act which are not in the ordinary course of business and/or not on arm's length terms and exceed the threshold specified in Rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification or reenactment thereof;

7.2 No member of the Company shall vote on the resolution to approve any transaction covered under Clause 8.1 above, if such member is a related party to the proposed contract or arrangement;

7.3 No Related Party shall vote to approve any transaction covered under Clause 8.1 above, whether the entity is a related party in the context of particular transaction or not..

## **8. EXEMPT TRANSACTIONS**

Approval of the Audit Committee or Board or shareholders of the Company shall not be required for the following Related Party Transactions:

- (i) Transactions entered into between the Company and its wholly-owned subsidiary company whose accounts are consolidated with the Company and placed before the shareholders of the Company at the general meeting for approval;
- (ii) Transactions entered into between two wholly-owned subsidiaries of the Company whose accounts are consolidated with the Company and placed before the shareholders of the Company at the general meeting for approval;
- (iii) Any other transaction for which approval of the Audit Committee or Board or shareholders, is not required or exempted under the Act, SEBI Listing Regulations or any other applicable law.

**9. TRANSACTIONS NOT REQUIRING APPROVAL OF THE AUDIT COMMITTEE**

Transactions or arrangements which are specifically dealt in terms of specific provision(s) of the applicable laws and executed under separate procedures/ approvals mechanism shall not be required to be approved under this Policy, including but not limited to the following:

- (i) Payment of remuneration in any form to any Director, Key Managerial Personnel and Senior Management, except who is part of promoter or promoter group, provided that the same is not a Material Related Party Transaction;
- (ii) Transactions upto ₹ one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company is a party but the Company is not a party;
- (iii) Transactions to which a listed subsidiary is a party but the Company is not a party, provided regulations 23 and 15 (2) of the Listing Regulations are applicable to such listed subsidiary. Prior approval of the audit committee of the listed subsidiary shall be taken for such transactions;
- (iv) Retail purchases from the Company or its subsidiary by the directors or key managerial personnel of the Company or its subsidiary, and relatives of such directors or key managerial personnel, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees, directors, key managerial personnel and relatives of directors or key managerial personnel;
- (v) Corporate actions which are uniformly applicable / offered to all shareholders in proportion to their shareholding;
- (vi) Other transactions or arrangements exempted under the Act and/or Listing Regulations.

**10. RATIFICATION OF TRANSACTIONS**

10.1 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 stipulated in regulation 23 (2) (f) of the Listing Regulations.

10.2 The post facto approval/ ratification granted by the Audit Committee, the Board and/ or shareholders shall not be deemed to violate this policy and the said transaction would not be invalid or unenforceable, subject to compliance of applicable laws.

**11. DISCLOSURE AND REPORTING**

11.1 Appropriate disclosures as specified under the Act and the Listing Regulations, shall be made by the Company in the Annual Report and to the Stock Exchanges;

11.2 This Policy shall be hosted on the Company's website at [www.lodhagroup.com](http://www.lodhagroup.com) and web-link of the same shall be provided in the Annual Report.

**LODHA**

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**12. ADMINISTRATION OF THE POLICY**

- 12.1 In case any provision of this Policy is contrary to or inconsistent with the provisions of the applicable laws, the latter shall prevail;
- 12.2 This Policy would be subject to revision/amendment in accordance with the applicable laws. Any subsequent amendment, clarification, guidance, circular etc. in relation to the applicable laws shall prevail over this Policy and the Policy shall stand amended accordingly from the effective date as laid down by the relevant authority.
- 12.3 The Board of Directors shall review the Policy once in every three years.
- 12.4 Any question/ clarification/ suggestion relating to this Policy may be addressed to the Company Secretary at [shares@lodhagroup.com](mailto:shares@lodhagroup.com).

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