

POLICY ON RELATED PARTY TRANSACTION(S)

1. Preamble

The Board of Directors (the “Board”) of Omaxe Limited (the “Company”) has adopted the following policy and procedures with regard to Related Party Transaction(s) as defined below. The Audit committee will review and may amend this policy, from time to time.

This policy will be applicable to the Company. This policy is to regulate transaction(s) between the Company and its Related Party(ies) based on the applicable laws and regulations.

2. Purpose

This policy is framed as per requirement of Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges { herein after readopted in line with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015} , also enshrines the requirement under Companies Act, 2013 and rules made thereunder, both as may be amended and applicable from time to time , and is intended to ensure the proper approval and reporting of transaction(s) between the Company and its Related Party(ies). Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Party(ies) as referred under applicable law(s).

3. Definitions

- A. “Audit Committee or Committee”** means Committee of Board of Directors of the Company constituted under provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement (hereinafter noted and reconfirmed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- B. “Board”** means Board of Directors of the Company.
- C. “Control”** shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- D. “Key Managerial Personnel”** means Key Managerial Personnel as defined under Section 2(51) of the Companies Act, 2013.

E. Related Party Transaction”

- i) means a transfer of resources, services or obligations between a 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
- ii) includes the following transactions with related party(ies) as defined under Section 188(1) of the Companies Act, 2013:
 - 1- Sale, purchases or supply of any goods or materials.
 - 2- Selling or otherwise disposing of , or buying, property of any kind,
 - 3- Leasing of property of any kind
 - 4- Availing or rendering of any services
 - 5- Appointment of any agent for purchases or sale of goods, materials, services or property.
 - 6- Such related party's appointment to any office or place of profit in the company its subsidiary company or associate and
 - 7- Underwriting the subscription of any securities or derivatives thereof, of the company.

F. “Policy” means Policy on Related Party Transaction(s).

G. “Related Party” means related party as defined in Section 2(76) of the Companies Act, 2(76) and Regulation 2(zd) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

H. “Material Related Party Transaction(s)” means Related Party Transaction(s) meeting the criteria or threshold limit as per Regulations 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Currently, the limit prescribed under the above mentioned Regulation is ten percent (10%) of annual consolidated turnover of the Company as per the last audited Financial Statements of the Company.

- I. “Relative”** means relative as defined under Section 2(77) of the Companies Act, 2013.
- J. “Omnibus Approval”** means Omnibus Approval as stated in Clause 5 of this Policy made in line with Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and applicable from time to time.

4. Policy

- i) All Related Party Transaction(s), subject to Omnibus Approval under Clause 5, must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy. However, the Audit Committee may grant Omnibus Approval for the Related Party Transaction(s) laid down in Clause 5 herein below adopted in line with Rule 6A of the Companies(Meeting of Board and its Power), 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .as may be amended and a from time to time. .
- ii) All Related Party Transaction(s), irrespective of any limit, as mentioned under Clause E (ii) of this Policy also require approval of the Board. The Board can approve such transaction(s) only at its Meeting.
- iii) All Material Related Party Transactions and such related party transaction(s) as mentioned in Clause E (ii) of this Policy ,exceeding the threshold limit mentioned under Rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014, shall further also require the approval of the Shareholders.

5. Omnibus Approval

- i) Audit Committee noting the repetitive nature and the need/justification of transaction(s) and such transaction(s) being in the best interest of the Company, post approval of the Board, provides Omnibus Approval for such transaction(s) fulfilling the criteria as mentioned herein below:
 - a. All Related Party Transaction(s) with the Related Party(ies) fulfilling the criteria therein in regard to nature, maximum value, indicative base price, current contracted price, duration, etc. may be entered into by the Company, from time to time.
 - b. All Related Party Transaction(s) with the Party(ies) may not be foreseen at this point in time and/or the details whereof are not available at the point in time of entering into such transaction(s) may be entered into upto a value not exceeding Rupees. One Crore per transaction in a financial year, by the Company.

- c. The Executive Committee may also do such acts and deeds, and things including but not limited to delegating such powers to such authorized person(s) authorizing for entering, executing, signing such agreements, undertakings, letters, documents, papers etc. and/or to do all such other things and deeds for giving effect to the above referred Transaction(s) approved under the Omnibus Approval Route.
- ii) A statement of Related Party Transaction(s) entered here under during the relevant quarter, shall be placed before the Audit Committee for its review and noting, on a quarterly basis at the meeting considering the quarterly/half yearly/annual Financial Results of the Company.
- iii) This Omnibus Approval as contemplated herein above shall be put up for the approval of Audit Committee on annual basis and as and when required.

6. Process of Identification of Potential Related Party Transaction(s)

Each Director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction(s) involving related party, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction(s) does, in fact, constitute a Related Party Transaction(s) requiring compliance with this policy.

The Company strongly prefers to receive such notice of any potential Related Party Transaction in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.

7. Review and Approval of Related Party Transaction(s)

Related Party Transactions(s), not being subject of omnibus approval, will be referred to the meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in any Related Party Transaction(s) will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction(s).

To review a Related Party Transaction(s), the Committee will be provided with all relevant material information of the Related Party Transaction(s), including the terms of the transaction(s), the business purpose of the transaction(s), the benefits to the Company and to the Related Party, and any other relevant matters. In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction(s):

☐☐ Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and would apply on the same basis if the transaction(s) did not involve a Related Party;

☐☐ Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction(s) and the nature of alternative transactions, if any;

☐☐ Whether the Related Party Transaction(s) would affect the independence of an independent director;

☐☐ Whether the proposed transaction(s) includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction(s);

☐☐ Whether the Company was notified about the Related Party Transaction(s) before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and

☐☐ Whether the Related Party Transaction(s) would present an improper 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, 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 Board/Committee deems relevant.

☐☐ If the Committee determines that a Related Party Transaction(s) 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(s), 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 or appropriate under the circumstances.

☐☐ All Related Party Transaction(s) requiring approval by the Shareholder through Resolution the same shall be put for Shareholder Approval and the Related Party(ies) shall abstain from voting on such Resolutions whether the entity is a related party to the particular transaction or not.

8. Exceptions

Notwithstanding the foregoing, the following Related Party Transaction(s) shall not require approval of Audit Committee or Board or Shareholders:

- i. Any transaction(s) that involves the providing of compensation to a Director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- ii. Any transaction(s) in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.
- iii. Related Party Transaction(s) falling under Clause H(ii) and which are not Material Related Party Transaction(s) and are in the course of business and at arm's length basis shall be exempted from Board and Shareholder Approval.
- iv. All Related Party Transactions(s) or Transaction(s) with Related Party(ies) or Related Party(ies) which are exempted from such noting, approval etc, by or under the Companies Act, 2013 and Rules made thereunder and/or SEBI(Listing Obligations and Disclosures Requirements) Regulations,2015 both as amended and applicable from time to time, shall also be exempted under this Policy and Company may enter into such Transaction(s) accordingly.

9. Related Party Transactions not approved under this Policy

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of 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. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

Further all such Related Party Transaction(s) entered into prior to coming of this Policy and subject to applicable Laws/Regulations if entered into by the Company in the ordinary course of business at arm's length basis and in the best interest in the company, and stand ratified and approved.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with

any review of a Related Party Transaction(s), the Committee has authority to modify or waive any procedural requirement(s) of this Policy.

This Policy will be communicated to all operational employees and other concerned persons of the Company.