



MAHINDRA LIFESPACE DEVELOPERS LIMITED

CIN: L45200MH1999PLC118949

POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS

TITLE:

This Policy shall be called 'Policy on materiality of and dealing with Related Party Transactions'.

OBJECTIVE:

Mahindra Lifespace Developers Limited (hereinafter referred to as "the Company") is engaged in the Real Estate Sector, in the development of Residential Projects and Integrated Cities & Industrial Clusters. As a part of its business activity, the Company deals with entities which are related parties. The Company recognizes that Related Party Transactions (as defined below) may have potential or actual conflict of interest and may raise questions whether such transactions are consistent with the Company's and its shareholders' best interests and in compliance to the provisions of the Companies Act, 2013 ("the Act") and Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")(including any statutory any amendments thereto or reenactment thereof).

The Company does not encourage, nor does it endorse entering into any transaction with any other person or entity with the intent of benefiting a Related Party, as envisaged under the definition of Related Party Transaction.

In this regard, the Audit Committee of the Company may require the Directors and/or Personnel of the Company /its subsidiaries and/or any other person as it may, at its sole discretion, deem fit or expedient, to provide such confirmation(s) and /or undertaking(s) as the Audit Committee may deem necessary.

The Board of Directors (the “Board”) of the Company has adopted this 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 (“Policy”) in compliance with the requirements of the Act and Listing Regulations as amended from time to time.

DEFINITIONS:

“**Arm’s 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**” or “**Committee**” means the audit committee constituted by the Board of Directors of the Company in accordance with applicable law, including the listing agreement and the Companies Act, 2013, as amended from time to time;

“**Board**” means the Board of Directors of Mahindra Lifespace Developers Limited.

“**Company**” or “MLDL” means Mahindra Lifespace Developers Limited.

“**Key Managerial Personnel**” in relation to a Company means KMP as defined in the Act.

“**Listed Subsidiary**” means a subsidiary of the Company which is a listed entity under the Listing Regulations and to which Regulations 15(2) and 23 of the Listing Regulations are applicable.

“**Material Related Party Transaction**” means a transaction with a Related Party, where the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the thresholds specified in Schedule XII of Listing Regulations, or any other limit/threshold as may be amended, modified, or prescribed under the Listing Regulations and applicable to the Company from time to time, and such amended provisions shall automatically apply without requiring further approval or modification of this definition.

Notwithstanding the above, a 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.

“Material Modifications” means any change in the approved terms which has a financial implication of 25% or more of the approved contract/transaction value or Rs 5 crore, whichever is lower.

“Ordinary Course of Business” would include usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and all such activities which the Company can undertake as per the Memorandum & Articles of Association of the Company.

“Policy” means this Policy, as amended from time to time.

“Promoter” and **“Promoter Group”** shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be amended from time to time.

“Related Party” means a related party as defined under the Companies Act, 2013 or rules made thereunder and under Listing Regulations as amended from time to time.

“Related Party Transactions” or “RPTs” shall mean such transactions as specified under Act or rules made thereunder and under Regulation 2(1)(ZC) of Listing Regulations, as amended from time to time.

“Relative” means a relative as defined under Section 2(77) of the Companies Act, 2013 and under Regulation 2(1)(ZD) of Listing Regulations, as amended from to time.

“Senior Management” means officers and personnel of the Company as defined under Regulation 16(1)(d) of the Listing Regulations.

“Transaction” with a related party shall be construed to include a single transaction or a group of transactions.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations, Securities Contracts (Regulation) Act, 1956, or any other applicable law or regulation unless the context otherwise require.

IDENTIFICATION OF RELATED PARTIES & TRANSACTIONS:

Every Director will be responsible for providing a declaration containing the following information to the Company Secretary on an annual basis and whenever there is a change in the information provided:

1. Names of his / her Relatives;
2. Firms in which he / she or his / her Relative is a partner;
3. Private Companies in which he / she or his / her Relative is a member or a Director;
4. Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital;
5. Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his / her advice, directions or instructions (other than advice, directions or instructions obtained in professional capacity); and
6. Persons on whose advice, directions or instructions, he / she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity).
7. He / She will not cause or solicit any person or entity to enter into any transaction with the Company or any of its subsidiaries the purpose and effect of which is / will be to benefit him/her and/or any other person who is a related party of the Company and/or its subsidiaries through him/her.
8. In case he/she comes to know of any transaction entered into by any person or entity with the Company and/or its subsidiaries, the purpose and effect of which is to benefit him/her and/or any other person who is a Related Party of the Company and/or its subsidiaries through him/her, he/she shall immediately inform the Company and/or the concerned subsidiary of the Company, of such transaction and declare his/her interest or concern therein.

Every Key Managerial Personnel of the Company will be responsible for providing a declaration containing the following information to the Company Secretary on an annual basis and whenever there is a change in the information provided:

1. Names of his / her Relatives;
2. Firms in which he / she or his / her Relative is a Partner;
3. He/She will not cause or solicit any person or entity to enter into any transaction with the Company or any of its subsidiaries the purpose and effect of which is / will be to benefit him/her and/or any other person who is a related party of the Company and/or its subsidiaries through him/her.
4. In case, he/she comes to know of any transaction entered into by any person or entity with the Company and/or its subsidiaries, the purpose and effect of which is to benefit him/her and/or any other person who is a Related Party of the Company and/or its subsidiaries through him/her, he/she shall immediately inform the Company and/or the concerned subsidiary of the Company, of such transaction and declare his/her interest or concern therein.

The Promoters of the Company, where Promoter is a body corporate, shall provide (i) a list of its holding and subsidiary companies (ii) a list of bodies corporate in which the promoter of the Company holds twenty per cent or more of the equity share capital (iii) a list of bodies corporate which hold twenty per cent or more of the equity share capital of the Promoter, alongwith PAN, CIN or any other identifier authorised by Law (as may be applicable), on an annual basis and whenever there is a change in the information so provided.

Every Director, Key Managerial Personnel, officers authorized to enter into contracts/ arrangements will be responsible for providing prior Notice to the Chief Financial Officer with a copy to the Company Secretary of any potential Related Party Transaction. They will also be responsible for providing additional information about the transaction that the Board / Committee may request, for being placed before the Board / Committee of the Company.

Besides the above, the Company will also identify other Related Parties as required under the Companies Act, 2013 and under Listing Regulations, as amended from time to time.

Any transaction by the Company with a Related Party will be regulated as per this Policy.

APPROVAL OF RELATED PARTY TRANSACTIONS:

1. All Related Party Transactions and subsequent modifications (including Material Modifications, if any) shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation or any other manner as provided by the Act or Rules made thereunder, unless exempted under applicable law.
2. Only those Members of the Audit Committee, who are Independent Directors, shall approve Related Party Transactions.
3. A Related Party Transaction above rupees 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 if the value of such transaction, exceeds the lower of the following:
 - (i) ten percent 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 listed entity as specified in Schedule XII of the Listing Regulations.

In the event of a Related Party Transaction above rupees 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 and such subsidiary does not have audited financial statements for a period of at least one year, prior approval of the Audit Committee of the Company shall be obtained if the value of such transaction exceeds the lower of the following:

- (i) ten percent 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 Schedule XII of 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.

4. A related party transaction covers a transaction between 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.

Further, in case of transaction, other than transactions referred to in Section 188 of the Act, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

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:

- (i) 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;
- (ii) the transaction is not a material related party transaction;
- (iii) rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
- (iv) 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 Regulation 23 of the Listing Regulations;
- (v) 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.

Where the Company and/or any of its subsidiaries enters into a contract / transactions with a Related Party, which stipulates details of every transaction like nature of the transaction, period of transaction, contract price or methodology of price determination, maximum amount of transaction , credit terms etc., prior approval once given by the Audit Committee of the Company would suffice and Audit Committee would only note the transactions that are entered into pursuant to such master agreement and will not require any additional approval of the Audit Committee unless the Company proposes to enter into Modification of the referred contract/transaction with

a Related Party or the concerned subsidiary proposes to enter into Material Modification of the referred contract/transaction with a Related Party.

The Audit Committee may grant omnibus approval for the proposed Related Party Transaction subject to the following conditions:

1. The Audit Committee shall lay down the criteria for granting omnibus approval in line with this Policy;
2. The Audit Committee shall satisfy for following criteria while making omnibus approval:
 - a. Need for such omnibus approval and that such approval is in the interest of the Company/its Subsidiary, as the case may be;
 - b. Repetitiveness of the transactions (in past or in future);
 - c. Justification for the need of omnibus approval;
3. Such omnibus approval shall specify the following:
 - i. Name(s) of Related Party
 - ii. Nature of transaction
 - iii. Period of transaction
 - iv. Maximum amount of transaction that can be entered into;
 - v. The indicative base price / current contracted price and the formula for variation in the price, if any;
 - vi. Any other information relevant or important for the Audit Committee to take a decision on the proposed transaction, and;
 - vii. Such other conditions as the Audit Committee may deem fit.

Notwithstanding above, omnibus approval shall not be made for selling or disposal of the undertaking between Related Parties.

In cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. One Crore per transaction or such amount as may be prescribed from time to time.

All Omnibus approvals granted pursuant to Companies Act, 2013 and Listing Regulations shall be valid for a period not exceeding one financial year and shall require fresh approvals after the

expiry of such financial year. However, the Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the company pursuant to each of the omnibus approval given. These provisions shall not apply to a transaction, other than a transaction referred to in section 188 of the Act, between a holding Company and its wholly owned subsidiary Company.

The Audit Committee shall also review the status of long-term (more than one year) or recurring Related Party Transaction(s) on an annual basis.

Prior approval of the Audit Committee of the Company shall not be required for a Related Party Transaction to which the Listed Subsidiary is a party, but the Company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of Listing Regulations are applicable to such Listed Subsidiary.

For Related Party Transactions of unlisted subsidiaries of a Listed Subsidiary of the Company as referred above, the prior approval of the Audit Committee of the Listed Subsidiary shall suffice.

The Remuneration and Sitting Fees paid by the Company or its Subsidiaries to its Director, KMP or Senior Management, except who is part of Promoter or Promoter Group, shall not require approval of the Audit Committee as per SEBI LODR provided that the same is not Material Related Party Transaction in terms of this Policy. Further, such transactions would also not be required to be disclosed in Half Yearly disclosure of Related Party Transaction(s) provided that the same is not material in terms of this Policy. Approval, if any, as may be required under the Act, may be obtained.

Although the aforesaid payment of Remuneration and Sitting Fees by the Company or its subsidiary has been exempted from obtaining approval of the Audit Committee under Listing Regulations, the Company may continue to obtain prior approval of the Audit Committee for the same under the provisions of the Act.

As provided in the Listing Regulations, the transactions entered into between:

- (i) The holding company and its wholly-owned Subsidiary of the Company or between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the Shareholders at the general meeting for approval.

(ii) Transaction which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.

(iii) Or any other transaction(s) exempted by under Listing Regulations.

shall not be required to follow the provisions related to prior approval of Audit Committee of the Company or prior approval of shareholders of the Company, as the case may be.

A member of the Committee who has a potential interest in any Related Party Transaction will not remain present at the meeting when such Related Party Transaction is considered.

The Board would approve such Related Party Transactions as are required to be approved under Companies Act, 2013 and/or Listing Regulations and/or transactions referred to it by the Audit Committee.

Where any director is interested in any Related Party Transaction, such director will not remain present at the meeting when such Related Party Transaction is considered.

To review a Related Party Transaction, the Board/Audit Committee will be provided with all the relevant information pertaining to the Related Party Transaction as prescribed under the Act and/or the Listing Regulations and/or the SEBI Circulars and/or the circulars of the stock exchanges where the securities of the Company are listed and/or any other provisions of the applicable law, as notified from time to time, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company/subsidiary and any other matter, as may be required. In determining whether approval needs to be accorded to a Related Party Transaction, the Board/Audit Committee will consider the following factors:

- Whether the terms of the Related Party Transaction are fair to the Company and would apply on the same basis as if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- Whether the Related Party Transaction would impair the independence of an otherwise Independent Director;
- Whether the Related Party Transaction would present a conflict of interest for any Director, or KMP of the Company, taking into account the size of the transaction, the overall interest

of the Director, KMP or other Related Party, the direct or indirect nature of the Director's, KMP's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and

- any other factors the Board/ Audit Committee deem fit to consider.

In terms of the provisions of the Listing Regulations, all Material Related Party Transactions and Material Modification thereto, from time to time, shall require prior approval of Shareholders of the Company (unless it is exempted pursuant to the provisions of Listing Regulations).

All Related Party Transactions pursuant to Section 188 of the Act which are not in the Ordinary Course of Business and / or not an Arms' length basis and which cross the threshold limits prescribed under Act, from time to time, shall also require the requisite approval of Shareholders of the Company (unless it is exempted pursuant to the provisions of the Act).

The requirement of passing the resolution shall not be applicable for transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the Shareholders at the General Meeting for approval.

The voting rights of the interested and non-interested Related Parties shall be governed by the applicable provisions of the Act, Listing Regulations and any other applicable law, from time to time.

The omnibus approval granted by the shareholders for material related party transactions in an annual general meeting shall be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Companies Act, 2013 or rules, notifications, or circulars issued thereunder from time to time. In case of omnibus approvals for material related party transactions, granted by shareholders in general meetings other than annual general meeting, the validity of such omnibus approvals shall not exceed one year from the date of such approval.

The notice being sent to the shareholders seeking approval for any proposed Related Party Transaction shall, in addition to the requirements under the Companies Act, 2013, include the information as may be required under the Listing Regulations and/or the SEBI Circulars and/or

the circulars of the stock exchanges where the securities of the Company are listed and/or any other provisions of the applicable law, notified from time to time, and such other law as may be applicable.

In case, the Shareholders do not approve a Related Party Transaction, the Board / Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the Transaction, or modification of the transaction to make it acceptable to Shareholders for approval.

Minimum Information to be reviewed by the Board/Audit Committee and shareholders for approval of Related Party Transaction(s)

The Company shall ensure compliance with the Industry Standards on “Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)” as made applicable by SEBI from time to time.

Provided that if a transaction with a related party, whether individually or taken together with previous transaction(s) during a financial year (including transaction(s) which are approved by way of ratification), do not exceed 1% of annual consolidated turnover of the Company as per the last audited financial statements of the Company or Rupees Ten Crore, whichever is lower, the Company shall in the notice being sent to the Shareholders, also provide the following Minimum information as specified in SEBI Circular dated 13th October, 2025 to the Shareholders for approval of RPTs, in addition to the requirements specified under the Act:

- a. A summary of the information provided by the management of the Company to the Audit Committee as specified above;
- b. Justification for why the proposed transaction is in the interest of the Company;
- c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details as specified under point (f) above;
- d. A statement that the valuation or other external report, if any, relied upon by Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;

- e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
- f. Any other information that may be relevant.

Provided further that the above requirements, shall not be applicable to transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year (including which are approved by way of ratification) which does not exceed Rs. One crore.

DISCLOSURE AND REPORTING OF RELATED PARTY TRANSACTIONS

The Company shall submit to the stock exchange(s) disclosures of Related Party Transactions in the format and timeframe(s) as specified by the SEBI, from time to time and the same will be published on website.

Every Related Party Transaction / contracts or arrangements that are:- (i) material or (ii) not at arm's length basis and/ or ordinary course of business, shall be referred to in the Board's report to the shareholders along with justification for entering into such transaction as per the requirement of the Companies Act, 2013.

The various business heads, department heads or any person authorized to enter into any transaction on behalf of the Company shall in case of a related party transactions, first consult the CFO and obtain his confirmation that the transaction is both in the ordinary course of business and at Arm's length basis and requisite approvals are in place.

AMENDMENTS

The Audit Committee may, subject to applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, from time to time.

The Board may also make any amendments to the Policy from time to time, based on the recommendations of the Audit Committee.

Further, the Board will review this Policy from time to time as prescribed under the Act or Listing Regulations.

The Board may also establish further rules and procedures, from time to time, to give effect to this Policy.

SCOPE LIMITATION

In the event of any conflict between the provisions of this Policy and of the Listing Regulations / SEBI Act, 1992 / the Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Acts, rules, regulations or statutory enactments thereof shall prevail over this Policy.

DISSEMINATION OF POLICY

This Policy shall be disseminated to all functional and operational heads and other concerned persons of the Company and shall be hosted on the intra-net and website of the Company and web link thereto shall be provided in the annual report of the Company.
