

Indiabulls

HOUSING FINANCE

INDIABULLS HOUSING FINANCE LIMITED

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Policy for Dealing with Related Party Transactions

OBJECTIVE

M/s Indiabulls Housing Finance Limited (the “Company”), has adopted the Policy on Related Party Transactions, as detailed hereinafter (Policy), which has been framed as per the requirement of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Board of Directors of the Company or the Audit Committee shall review and amend this policy, from time to time, if so require.

The objective of this policy and procedure is to ensure that transactions between the Company and its related parties are based on principles of transparency and arm’s length pricing. Therefore, this policy aims at preventing and providing guidance in situations of potential conflict of interests in the implementation of transactions involving such related parties.

1. DEFINITIONS

a) “Audit Committee” means Committee of Board of Directors of the Company constituted under provisions of Section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

b) “Related Party” shall mean a person or entity that is related to the company as defined under Section 2(76) of the Companies Act, 2013 or under Regulation 2 (zb) of the Listing Regulations, as may be amended, from time to time.

c) “Related Party Transaction” shall mean all transactions as per Section 188 of the Companies Act, 2013 or under Regulation 2 (zc) of the Listing Regulations or as per applicable Accounting Standards, as may be amended from time to time.

d) “Material transaction” shall have the same meaning as defined under the Listing Regulations.

e) “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.

f) “Annual Consolidated Turnover” is defined as Total Income (including other income) of the last audited Consolidated Financial Statements of the Company.

2. POLICY

All RPTs must be in compliance of this Policy and subject to all applicable regulatory requirements. .

3. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

Every Related Party Transaction (RPT) shall have the approval of the Audit Committee whether at a meeting or by resolution by way of circulation.

Wherever required, to ensure compliance of the provisions of the Companies Act, 2013 and the Listing Regulations, the RPTs shall also be subject to Board’s and / or Shareholders’ approval.

Related Parties that are parties to the contract shall abstain from voting.

General Guidance for approval of Related Party Transactions

The Compliance Officer shall – (i) identify the related parties along with their details, (ii) furnish these details to the concerned departments, which are responsible for entering into contracts / arrangements or agreements, for and on behalf of the Company, at regular intervals, (iii) ascertain that whether RPTs are on Arm's Length basis or in the ordinary course of business, and (iv) ensure to have the approval from Audit Committee for all RPTs and wherever required from Board of Directors or shareholders of the Company.

The Audit Committee shall be provided with the relevant information of RPTs in accordance with the requirements of Regulation 23 of the Listing Regulations or under Rule 15(1) of the Companies (Meetings of Board and its Powers) Rules, 2014, as may be amended from time to time, or as requested by the Audit Committee.

In determining whether to approve a RPT, the Audit Committee shall consider (among other aspects it deems relevant), if there are clearly demonstrable reasons from the Company's business point of view, to enter into a transaction with a Related Party.

4. OMNIBUS APPROVAL BY AUDIT COMMITTEE FOR RELATED PARTY TRANSACTIONS

The Audit Committee may grant omnibus approval for RPTs, which are repetitive in nature and are proposed to be entered into by the Company. Omnibus approval shall be valid for a period of one year.

5. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a RPT with a Related Party that has not been approved under this Policy prior to its consummation, the Company would obtain post facto approval from the Audit Committee.

In case the Company is not able to take prior approval from the Audit Committee, such a transaction shall not be deemed to violate this Policy, or be invalid or unenforceable, so long as the transaction is informed to the Audit Committee as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by this policy.

The Audit Committee shall consider all relevant facts and circumstances regarding the RPT and shall evaluate all options available to the Company, including ratification, revision or termination of the RPT.

6. DISCLOSURE OF THE POLICY

This Policy will be uploaded in the website of the Company at <http://www.indiabullshomeloans.com/>.

The Company shall ensure compliance of all requirements applicable to RPTs, as may be required, in terms of applicable provisions of the Companies Act, 2013 and Rules made thereunder or Regulation 23 of the Listing Regulations or any other law for the time being in force.

7. POLICY REVIEW

This Policy is framed based on the provisions of Regulation 23 of the Listing Regulations. In case of any subsequent changes in the provisions of the Listing Regulations or the Companies Act, 2013 and Rules made thereunder (Act), then the amended Listing Regulations/Act would prevail over the Policy and the provisions in the Policy would be suitably modified in due course to make it consistent with law.