



# RAVINDER HEIGHTS LIMITED

## POLICY ON RELATED PARTY TRANSACTIONS

Version: 1.3  
(Effective from 12.02.2025)

### Summary of Versions

Version	Approved by	Date of Approval	Description
1.1	Board of Directors	05.02.2021	Original Policy
1.2	Board of Directors	25.05.2022	Revised Policy in line with changes in regulatory requirements.
1.3	Board of Directors	12.02.2025	Amendment pursuant to SEBI (Listing Regulations) (Third Amendment), 2024

A handwritten signature in blue ink, 'Sunder Rajan', is written over a circular blue stamp. The stamp contains the text 'Ravinder Heights Limited' around the perimeter and a star in the center.

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Ravinder Haryana Limited

**RAVINDER HEIGHTS LIMITED  
POLICY ON RELATED PARTY TRANSACTIONS**

**1. INTRODUCTION**

**Ravinder Heights Limited (the "Company")** recognizes that certain relationships can present potential or actual conflicts of interest and may raise questions about whether transactions associated with such relationships are consistent with Company's and its stakeholders' best interests.

The Company must specifically ensure that certain Related Party Transactions (as defined below) are managed and disclosed in accordance with the legal and accounting requirements to which the Company is subject to the then applicable equity listing agreement with stock exchanges mandated formulation of a policy on transactions with Related Parties and dealing with Related Party Transactions.

Regulation 23 of SEBI (Listing Obligations and Disclosures) Regulations, 2015 mandates formulation of a policy on transactions with Related Parties and dealing with Related Party Transactions.

As part of its corporate governance practices, the Company has framed this policy on Related Party Transactions. This policy has been adopted by the Board of Directors of the Company based on recommendation of the Audit Committee. Accordingly, the Audit Committee will review and amend the Policy, as and when required, subject to adoption by the Board.

**2. APPLICABILITY AND EFFECTIVE DATE**

This Policy is applicable to the Company with effect from February 05, 2021 to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations. However, the amendments made in this Policy from time to time shall be deemed to be applicable effective from the respective dates of applicability mentioned in SEBI LODR Regulations and / or this Policy.

**3. PURPOSE**

This Policy aims to ensure full compliance with applicable statutory provisions while establishing a clear and structured process for the approval, ratification, and reporting of transactions between the Company and its Related Parties. It is designed to enhance transparency in the approval process and disclosure requirements, ensuring fairness and accountability in the treatment of related party transactions. This Policy is largely framed based on requirements of Regulation 23 of the SEBI LODR Regulations and in terms of the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder ("the Act"), as amended from time to time.



#### 4. DEFINITIONS

- 41 "Act" shall mean the Companies Act 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactment thereof.
- 42 "Arm's Length basis" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. For determination of Arm's Length basis, guidance may be taken from the provisions related to Transfer Pricing under Income Tax Act, 1961.
- 43 "Associate Company" means any other company, in which the Company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company.  
Explanation - For the purpose of this clause:  
(a) the expression "significant influence" means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement;  
(b) the expression "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- 44 "Audit Committee" means "Audit Committee" constituted by the Board of Directors of the Company under the provisions of the SEBI LODR Regulations and the Act as amended from time to time.
- 45 "Board of Directors" or "Board" means the Board of Directors of the Company, as constituted from time to time.
- 46 "Company" means Ravinder Heights Limited.
- 47 "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.
- 48 "Key Managerial Personnel" means Key Managerial Personnel as defined under the Companies Act and Indian Accounting Standard (Ind AS-24)
- 49 "Material Related Party Transaction" In accordance with Regulation 23 of the SEBI Listing Regulations, a transaction with a related party shall be considered material, if the transaction(s) to be entered into, individually or taken together with previous transactions during a financial year:



- i) In case of transactions involving payments made with respect to brand usage or royalty, if it exceeds 5% of the annual consolidated turnover of the Company as per its last audited financial statements or such other limits as may be specified in the applicable Regulations as amended from time to time;
- ii) In case of any other transaction(s), if the amount exceeds Rs.1,000 crores or 10% of the annual consolidated turnover of the Company as per its last audited financial statements, whichever is lower, or such other limit as may be specified in the applicable Regulations as amended from time to time.

**4.10 "Material Modification"** mean and include any modification to an existing related party transaction having variance of 20% or more of the existing limit as sanctioned by the Audit Committee/ Board / Shareholders, as the case may be.

**4.11 "Net worth"** means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

**4.12 "Ordinary Course of Business"** means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association. The Audit Committee may lay down principles from time to time for determining ordinary course of business in accordance with statutory requirements and other industry practices and guidelines.

**4.13 "Policy"** means Related Party Transaction Policy of the Company as amended or modified from time to time.

**4.14 "Relative"** means relative as defined under section 2(77) of the Act and rules prescribed there under, as amended from time to time, i.e. anyone who is related to another, if-

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other person as: (a) Father (including step-father), (b) Mother (including step-mother), (c) Son (including step-son), (d) Son's wife, (e) Daughter, (f) Daughter's husband, (g) Brother (including step-brother), or (h) Sister (including step-sister)

**4.15 "Related Party"** means a person or an entity that is related to the Company. Parties are related if one party has ability to control the other party or exercise significant influence over the other party directly or indirectly in making the financial and / or operating decisions and includes:

- (i) a related party under section 2(76) of the Act,
- (ii) a related party under the applicable accounting standards, and
- (iii) a related party under clause 2(1)(zb) of the SEBI LODR Regulations.

**4.16 "Related Party Transactions"** shall have the meaning as defined under Regulation 2(1)(zc) of the SEBI LODR Regulations as amended from time to time, and shall include transactions given in clause (a) to (g) of Section 188(1) of the Act.

**4.17 "Turnover"** means the gross amount of revenue recognised in the profit and loss account from the sale, supply, or distribution of goods or on account of services rendered, or both, by a company during a financial year.

All other words and phrases will have the same meaning as defined under this Policy as amended from time to time as also under the Act, SEBI LODR Regulations and Ind AS - 24.

The headings, titles, and captions contained in this Policy are merely for reference and do not define, limit, extend, or describe the scope of this Policy or any provision herein.

Unless the context requires otherwise, (a) the gender (or lack of gender) of all words used in this Policy includes the masculine, feminine, and neutral, and (b) the word "including" means "including, without limitation".

## 5. POLICY

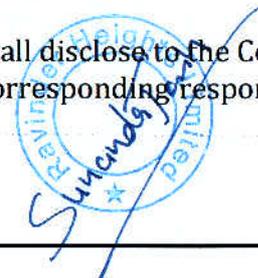
**5.1.** All Related Party Transactions and subsequent material modifications must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

### **5.2. Identification of potential Related Party Transactions**

The following parties are deemed as related parties:

- (i) An entity forming part of Ravinder Heights Group;
- (ii) Directors, Key Managerial Personnel and connected Related Parties:

- a Each Director and Key Managerial Personnel shall disclose to the Company its Related Parties on an annual basis with a corresponding responsibility



to provide updates on the same during the intervening period, in case of any modification or inclusion to the information thus provided. The Board shall record the disclosure of Interest at its meeting.

- b. Each Director and Key Managerial Personnel shall provide notice to the Board of any potential Related Party Transactions (involving him or her, or his or her Relative, or firms/body corporates in which they or their relatives are interested) that the Company may be entering into, along with any additional information about the transaction/the Related Party that the Board and the Audit Committee may reasonably request. The Board and the Audit Committee shall have the final authority to determine whether an impugned transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

The Company strongly prefers to receive such notice (of any potential Related Party Transaction) well in advance so that the Audit Committee and the Board has adequate time to obtain and review information regarding the same.

- (iii) In addition to the above, the Board and the Audit Committee shall undertake an independent assessment of transactions proposed to be executed by the Company in order to ascertain whether the same are proposed to be executed with Related Parties. Special focus shall be given to such transactions that fall beyond the monetary thresholds prescribed for related party transactions under Section 188 of the Act and/or SEBI LODR Regulations.

### **5.3. Policy for determining Materiality of Related Party Transactions**

- 1) As per Regulation 23 of SEBI LODR Regulations, a transaction with a Related Party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees 1000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

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/transactions 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 the last audited financial statements of the Company.

- 2) As per Section 188 of the Companies Act, 2013 read with rule 15 of Companies (Meeting of Board and its Power) Rule 2014, the following cases of contracts or arrangements exceeding certain value shall be considered material:



- a) sale, purchase or supply of any goods or materials, directly or through appointment of agent, amounting to 10% or more of the turnover of the Company, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188 of the Act;
- b) selling or otherwise disposing of, or buying, property of any kind, directly or through appointment of agent, amounting to 10% or more of the net worth of the Company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188 of the Act;
- c) leasing of property of any kind amounting to 10% or more of the turnover of the Company as mentioned in clause (c) of sub-section (1) of section 188 of the Act;
- d) availing or rendering of any services directly or through appointment of agent, amounting to 10% or more of the turnover of the Company, as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188 of the Act;
- e) appointment to any office or place of profit in the Company, its subsidiary company or associate company at a monthly remuneration exceeding Rs. 2,50,000 as mentioned in clause (f) of sub-section (1) of section 188 of the Act; or
- f) remuneration for underwriting the subscription of any securities or derivatives thereof, of the Company exceeding 1% of the net worth as mentioned in clause (g) of sub-section (1) of section 188 of the Act.

“Turnover” or “Net Worth” shall be determined on the basis of the audited financial statement of the preceding financial year.

- 3) Such other transactions as the Board and / or the Audit Committee may determine to be material related party transaction shall be considered as material related party transactions requiring compliance with this Policy.

## 6. APPROVAL OF RELATED PARTY TRANSACTIONS

### A. Approval by Audit Committee:

- 1) All Related Party Transactions or any subsequent Material Modifications shall require prior approval of the Audit Committee of the Company.

Provided that only those members of the audit committee, who are Independent Directors, shall approve related party transactions or material modifications thereto.

- 2) Any member of the Audit Committee who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.



- a) related party transaction to which the subsidiary of a 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 10% of the annual consolidated turnover, as per the last audited financial statements of the Listed Company;
- b) with effect from April 1, 2023, a related party transaction to which the subsidiary of a 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 10% of the annual standalone turnover, as per the last audited financial statements of the subsidiary;
- c) Prior approval of the audit committee of the Company shall not be required for a related party transaction to which listed subsidiary is a party but the company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

*Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (iii) above, the prior approval of the audit committee of the listed subsidiary shall suffice.*

- d) 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 approval of the audit committee provided that the same is not material.
- e) 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 individual 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 regulation 23 of SEBI LODR 2015;
  - 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



regulation 23 of SEBI LODR 2015;

- 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 listed entity against any loss incurred by it.

- 3) The Audit Committee may grant omnibus approval for the period not exceeding one year for any Related Party Transaction(s) proposed to be entered into by the Company or its subsidiaries which are repetitive in nature and are in the ordinary course of business and on at Arm's Length basis, subject to compliance with the conditions contained in Regulation 23 of the SEBI LODR Regulations. The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into with the Company or its subsidiaries pursuant to each of the omnibus approvals given.
- 4) To review a Related Party Transaction, the Audit Committee shall be provided with the necessary information, to the extent relevant, with respect to actual or potential Related Party Transactions and/or prescribed under the Act, and the SEBI LODR Regulations.

**B. Approval by Board:**

1. Related Party Transactions which are not in the ordinary course of business or which is in the ordinary course of business but not at arm's length basis shall require prior approval of the Board through a resolution passed at the meeting of the Board shall be necessary.
  - a) Where any Director is interested in any contract or arrangement with a Related Party, such Director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.
  - b) The Board of Directors shall review, approve and recommend to the shareholders for their approval, all Material Related Party Transactions and such transactions as required to be approved by shareholders of the Company in terms of section 188(1) of the Act and the Listing Regulations.
2. All the Material Related Party Transactions and subsequent Material Modifications thereto shall be considered and approved by the Board before the same are considered by the shareholders for their prior approval.



**C. Approval by Shareholders:**

1. In terms of Section 188 of the Act, all the Material Related Party Transactions shall require prior approval of the shareholders through ordinary resolution and the Related Party(ies) with whom transaction is to be entered shall not vote to approve such resolutions.
2. All the transactions, other than the Material Related Party Transactions, with the Related Parties which are not in the ordinary course of business or at arm's length basis shall also require the prior approval of the shareholders through ordinary resolution if so, required under any law and the Related Party(ies) with whom transaction is to be entered shall not vote to approve such resolutions.
3. In terms of SEBI LODR Regulations, all Material Related Party Transactions shall require approval of the shareholders through resolution and no Related Party shall vote to approve such resolutions whether the entity is a Related Party to the particular transaction or not.

Provided that prior approval of the shareholders of a 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 these regulations are applicable to such listed subsidiary.

Provided that these requirements under SEBI LODR Regulations shall not apply in respect of a resolution plan approved under section 31 of The Insolvency and Bankruptcy Code, 2016, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

**7. EXEMPTION FROM OBTAINING APPROVAL IN TERMS OF THE COMPANIES ACT AND SEBI LODR REGULATIONS:**

The Regulations also clarify that certain RPTs would not require audit committee/Board/shareholder approval as mentioned below:

- (a) Any transactions which are at arm's length and in ordinary course of business, 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;
- (b) Transactions entered into between two public sector companies;
- (c) Transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.



- (d) Transactions entered into between two wholly owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- (e) Transactions 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.
- (f) Transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand.

## **8. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

In the event the Company becomes aware of a Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the members of the audit committee, who are independent directors, may ratify such Related Party Transactions within three (3) 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:

- (a) 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 Rs. 1 Crore (Rupees One Crore);
- (b) the transaction is not material in terms of the provisions of Regulation 23(1) of SEBI LODR Regulations;
- (c) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
- (d) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of Regulation 23(9) of this SEBI LODR Regulations; and
- (e) 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.

## **9. GENERAL PRINCIPLES**

- (a) It shall be the responsibility of the Board to monitor and manage potential conflicts of interest of management, board members and shareholders, including abuse in Related Party Transactions.



- (b) The Independent Directors of the Company shall pay sufficient attention and ensure that adequate deliberations are held before approving Related Party Transactions and assure themselves that the same are in the interest of the Company.
- (c) The Audit Committee shall have the following powers with respect to Related Party Transactions: -
- To obtain outside legal or other professional advice;
  - To seek information from any employee;
  - To secure attendance of outsiders with relevant expertise, if it considers necessary; and
  - To investigate any Related Party Transaction.
- (d) The Chief Financial Officer (CFO), the Company Secretary and any other person authorised in this behalf are severally authorized to issue necessary instructions for implementation of this Policy.
- (e) The management of the Company while entering into any Related Party Transaction shall ensure that such Related Party Transaction is in the best interest of the Company and adheres to this Policy.
- (f) All the department heads and other persons authorized to enter into any transaction on behalf of the Company shall not undertake any transaction with a Related Party without ensuring that the said transaction has prior approval of the Audit Committee, and that the transaction is both in the ordinary course of business and on an arm's length basis. Any Related Party Transaction which is not likely to meet the required criteria as mentioned above should immediately be brought to the notice of the Company Secretary and the CFO for their consideration and necessary actions before entering into such transactions.

## 10. DISCLOSURES

- (a) The Company shall make relevant disclosures in its Financial Statements/Board Report or otherwise, relating to the material or otherwise Related Party Transactions of the Company as may be required under the provisions of the Act or SEBI LODR Regulations or relevant Indian Accounting Standards as notified/amended from time to time.
- (b) Details of all Material Related Party Transactions shall be disclosed to stock exchanges or any other authority under SEBI LODR Regulations or any other law for the time being in force.
- (c) The Company shall disclose this policy on dealing with Related Party Transactions on its website and web-link shall be provided in the Annual Report.



- (d) A summarized statement of all transactions with related party executed during the quarter pursuant to any contract or arrangement approved by the Audit Committee or the Board or the shareholders, as applicable, shall be submitted to the Board as well as the Audit Committee in regular quarterly meetings for information, review and noting.
- (e) The Company shall maintain a Register of Contracts or Arrangements containing the prescribed details as required under Section 189 of the Act.

## 11. POLICY REVIEW:

This Policy is framed based on the provisions of the Act and rules thereunder and the requirements of the SEBI LODR Regulations.

In case of any subsequent changes to the Act, SEBI LODR Regulations, or any other applicable regulations (collectively referred to as “**the Regulations**”) which makes any of the provisions of this Policy inconsistent with the Regulations, the provisions of the Regulations shall prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with the Regulations.

The Policy shall be reviewed and recommended by the Audit Committee at least once in every three years or as and when any changes are to be incorporate in the Policy due to change in the Regulations or as may be felt appropriate by the Audit Committee, whichever is earlier for approval of the Board of Directors. Any changes or modification on the Policy as recommended by the Audit Committee would be presented for review and approval of the Board of Directors.

## 12. GENERAL

- (a) The Policy has been duly approved by the Board of Directors in its meeting held on February 05, 2021 and may be amended by the Board at any time. The amendments made in this Policy from time to time shall be deemed to be applicable effective from the respective dates of applicability mentioned in this Policy.
- (b) Any subsequent amendment/modification in the SEBI LODR Regulations and/or the Act and other applicable laws in this regard shall automatically apply to this Policy and this Policy shall stand amended/ modified accordingly.
- (c) The Board shall on the recommendation of the Audit Committee periodically review this Policy and shall also have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.



- (d) However, the Policy shall be reviewed by Board of Directors at least once every three years.
- (e) Any questions and clarifications relating to this Policy may be addressed to the Company Secretary at [secretarial@ravinderheights.com](mailto:secretarial@ravinderheights.com).

Approved by  
For and on behalf of Board



Mrs. Sunanda Jain  
Chairperson cum Managing Director

Place: New Delhi  
Date 12.02.2025

