



Nestavia Home Finance Private Limited

("Nestavia" or "Company")



Policy on Related Party Transactions

Name of the Policy: Policy on Related Party Transactions

Policy Number: RPT-03/2026

PREAMBLE

Nestavia Home Finance Private Limited (hereinafter referred to as "Nestavia" or "the Company") recognizes that the success of the organization is built on a foundation of trust, integrity, and ethical behaviour.

Nestavia recognizes that Related Party Transactions (RPTs) can present risks, including the potential for conflicts of interest. This policy establishes clear guidelines to govern RPTs in compliance with applicable laws and ensures that all such transactions are transparent, fair, and in the best interest of the companies, their shareholders, and other stakeholders.

This unified policy is designed to meet the requirements set forth in the Companies Act, 2013, Indian Accounting Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other relevant laws as will be applicable to the Company.

This Policy has been developed in alignment with the Company’s code of conduct for employees, various other policies (including whistle blower policy), rules and regulations adopted by the company and is designed in compliance with all the applicable regulations.

Prepared and Proposed By	Head - Finance
Reviewed and Recommended By	Managing Director & CEO
Approved By	Board of Directors
Date of Approval	30-Apr-2026

RESPONSIBILITY ASSIGNMENT MATRIX

Responsibility for Implementation	Compliance Officer with support from HR Department
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VERSION CONTROL

Version No.	Date of Approval by Board of Directors	Key Highlights/Changes
1.0	24-Nov-2024	Roll-out of policy
2.0	23-Apr-2025	Updated as part of annual review
3.0	30-Apr-2026	Reviewed as part of annual review

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1. PURPOSE, SCOPE AND APPLICABILITY

- To purpose of this policy is to regulate the approval and reporting of Related Party Transactions.
 - To ensure that all Related Party Transactions are conducted on an arm's length basis and in the best interest of the company and its stakeholders.
 - To maintain transparency and fairness in the transaction process.
 - To comply with regulatory requirements and internal governance standards.
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2. DEFINITIONS

- **Related Party:** A related party, as defined under **Section 2(76)** of the **Companies Act, 2013** and **Regulation 2(1)(zb)** of SEBI LODR, shall include:
 - a. Directors, key managerial personnel (KMP), and their relatives.
 - b. Entities where a director or KMP holds a significant shareholding or is in a managerial position.
 - c. Holding, subsidiary, or associate companies.
- **Related Party Transaction (RPT):** A related party transaction is defined as any transfer of resources, services, or obligations between the company and a related party, regardless of whether a price is charged. This includes transactions such as:
 - Sale or purchase of goods, materials, or services.
 - Leasing of properties or other assets.
 - Appointment of agents or agents acting on behalf of the company.
 - Transactions involving loans, guarantees, or provision of security.

A related party transaction under the **Companies Act, 2013** and SEBI LODR may also encompass appointments, underwriting, and other significant transactions between a listed entity and its related parties.

- **Material Related Party Transaction:**

Any transaction that exceeds ₹10 crore or 10% of the company's annual gross income (whichever is lower) as per the last audited financial statements.

- **Key Managerial Personnel (KMP):** The KMP includes the

Managing Director & Chief Executive Officer

Executive Directors

Company Secretary

Chief Financial Officer

and other executives designated as KMP by the Board of Directors.

- **Arm's Length Transaction:** A transaction conducted between two related parties as if they were unrelated, ensuring that there is no conflict of interest.

3. APPROVAL PROCESS FOR RELATED PARTY TRANSACTIONS

- **Identification and Disclosure:**

- Prior to the commencement of each financial year, the companies will prepare a list of related parties and update the list throughout the year as required.
- All Directors and KMP are required to disclose their interests (direct or indirect) at the beginning of each financial year.

- **Role of the Audit Committee:**

- The Audit Committee will review and approve all related party transactions (RPTs) to ensure compliance with this policy and that the transactions are conducted on an arm's length basis.
- In cases where RPTs are repetitive or of a similar nature, the Audit Committee may grant omnibus approval. Such omnibus approvals must be reviewed on a quarterly basis.

- **Conflict of Interest:**

- Any member of the Audit Committee or Board who has an interest in a transaction shall recuse themselves from the discussion and approval process.

- The Audit Committee will review RPTs to ensure no conflict of interest arises that may affect the independence of any independent director.
 - **Approval Hierarchy:**
 - **Audit Committee Approval:** Required for all RPTs.
 - **Board Approval:** If the Audit Committee refers a transaction to the Board or if the transaction involves significant or material RPTs.
 - **Shareholder Approval:** For material RPTs, transactions not in the ordinary course of business, or those not conducted on an arm's length basis.
 - **Information Required for Approval:**
 - Name of the related party and nature of relationship.
 - Detailed description of the transaction, including its duration and terms.
 - Material terms and financial aspects (value, pricing, commercial terms).
 - Any advances paid or received, if applicable.
 - Rationale for entering into the transaction and comparison to market terms.
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4. MONITORING AND REPORTING

- **Quarterly and Annual Reporting:**
 - The companies will ensure that all RPTs are reported quarterly to the Audit Committee and subsequently in the company's annual report, in line with applicable regulations.
- **Material Modifications:**
 - Any changes or modifications to an existing RPT, which increase the value or change the terms materially, must be approved in accordance with this policy.
- **Post Facto Approval:**
 - If a related party transaction is entered into without prior approval, post facto approval must be obtained from the Audit Committee, Board, or shareholders as required by applicable laws.
- **Pre-Approved Transactions:**

- Certain recurring transactions such as managerial remuneration, loan arrangements, or rental payments may be pre-approved by the Audit Committee or Board, as applicable, provided these transactions are in the ordinary course of business and at arm's length.
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5. FACTORS CONSIDERED BY THE AUDIT COMMITTEE IN APPROVING RPTS

When considering an RPT, the Audit Committee will evaluate the following factors, among others:

- Fairness of the terms of the transaction, especially with respect to its arm's length nature.
 - The need for the company to enter into the transaction and its benefits.
 - Any potential conflict of interest that may arise for directors or KMP.
 - Whether the transaction affects the independence of any independent director.
 - The risks involved and how they are mitigated.
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6. MATERIAL RELATED PARTY TRANSACTIONS AND SHAREHOLDER APPROVAL

Material RPTs, or transactions that are not in the ordinary course of business or not on arm's length terms, require prior approval by the shareholders through a resolution passed at a general meeting.

7. DISCLOSURE REQUIREMENTS

- **Regulatory Disclosures:**
 - The companies will disclose RPTs in their financial statements, in compliance with the **Companies Act, 2013** and **SEBI (LODR) Regulations**.
 - In addition to the quarterly disclosures, an annual report on RPTs will be provided to shareholders as part of the company's financial statements.
 - **Website Disclosure:**
 - A summary of this policy and the details of RPTs will be made available on the company's official website.
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8. POLICY VIOLATIONS

In case any RPT is found to be in violation of this policy, the Audit Committee will determine the appropriate course of action, including corrective measures, modifications, or termination of the transaction. The policy will also be adjusted accordingly to ensure compliance with the laws.

9. TRAINING AND COMMUNICATION

Nestavia ensures that it has adequate procedures to provide appropriate training for its employees on conflict of interest, importance of disclosure, if any, their role and importance; in order to be in conformance with legal requirements and be in compliance thereof. A copy of this Policy is available on Nestavia's website (www.nestaviahomefin.com) for anytime reference.

10. POLICY REVIEW AND AMENDMENTS

This policy will be reviewed by the Board of Directors at least once every year, or more frequently if necessary, to incorporate changes in laws or regulations.

All related party transactions conducted by Nestavia Housing Finance Private Limited are transparent, fair, and conducted in the best interests of the companies and their shareholders.

By adhering to this policy on related party transactions, Nestavia Home Finance Private Limited seeks to meet the highest standards of corporate governance and legal compliance while establishing lasting relationships based on trust, fairness, and transparency with all its stakeholders.
