HOMRE LIMITED

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Policy on Related Party Transactions

1. PREAMBLE

The Board of Directors (the "Board") of Homre Limited (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 in compliance with the requirements of Section 188 of the Companies Act, 2013 ("the Act") and Regulation 23 of the listing obligation and disclosure requirement regulation entered into by the Company with the BSE Limited. Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions.

2. OBJECTIVE

The objective of this Policy is to set out the (a) materiality of related party transactions And (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Regulation 23 of the listing obligation and disclosure requirement regulation and other applicable laws and regulations as amended from time to time.

3. DEFINITIONS

"Audit Committee or Committee" means the Audit Committee constituted by the Board of Directors of the Company from time to time under the provisions of Regulation 23 of the listing obligation and disclosure requirement regulation and Section 177 of the Companies Act, 2013.

"**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.

"Board" means the Board of Directors of the Company.

"Key Managerial Personnel" means Key Managerial Personnel as defined under the Companies Act, 2013 or as under applicable Indian Accounting Standard i.e. AS-18, asthe case may be.

"Related Party" a means related party as defined under the Companies Act, 2013 read with Regulation 18 of listing obligation and disclosure requirement, as amended from time to time, and includes the following:

- Parties covered under section 2(76) of the Companies Act, 2013, and
- Parties covered under the Indian Accounting Standard -24.

"Related Party Transaction" means any transaction between the Company and any Related Party for transfer of resources, services or obligations, regardless of whether a price is charged.

"Relative" means relative as defined under Section 2(77) of the Companies Act, 2013 andthe Rules made thereunder and includes any person who is related in any of the following manner –

a. Members of a Hindu undivided family
b. Husband or wife;
c. Father (including step-father);
d. Mother (including step-mother)
e. Son (including step-son);
f. Son's wife;
g. Daughter;
h. Daughter's husband;
i. Brother (including step-brother); or
j. Sister (including step-sister).

"Specified Transaction" includes the following transaction**s:**

a) Sale, purchase or supply of any goods or materials;
b) Selling or otherwise disposing of, or buying property of any kind;
c) Leasing of property of any kind;
d) Availing or rendering of any services;
e) Appointment of any agent for the purchase or sale of goods, materials, services orproperty;
f) Such related party's appointment to any office or place of profit in the Company, itssubsidiary Company or associate Company;
g) Underwriting the subscription of any securities or derivatives thereof, of the Company; and
h) Such other transactions as may be prescribed under the Companies Act, 2013 and the Rulesmade thereunder, from time to time.

"**Threshold Limits**" means the following limits as prescribed under the Companies Act,2013 and the Rules made thereunder, in respect of the specified transactions and as amended from time to time:

Nature of Transaction	Threshold Limit
Sale, purchase or supply of any goods or materials (Directly or through agent)	10% or more of annual turnover or Rs. 100 cr whichever is lower
Selling or otherwise disposing of, or buying, property of any kind (Directly or through agent)	10% or more of net worth or Rs.100cr whichever is lower
Leasing of property of any kind	10% or more of net worth or 10% or more of turnover or Rs.100 cr whichever is lower
Availing or rendering of any services(Directly or through agent)	Exceeds 10% of turnover or Rs. 50 cr whichever is lower
Appointment to any office or place of profit in thecompany, its subsidiary company or associate	Remuneration exceeds Rs.2.5 Lacs per month

company	
Underwriting the subscription of any securities of the company or derivatives thereof	Exceeds 10% of turnover or Rs. 50 cr whichever is lower

Note: The Turnover or Net Worth for the purpose of the threshold limits shall be considered on the basis of Audited Financial Statement of the preceding FY.

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

4. MATERIALITY OF RELATED PARTY TRANSACTION

A transaction with a Related Party shall be considered „material" if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.

5. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

5.1 IDENTIFICATION OF RELATED PARTY TRANSACTIONS

Every Director and Key Managerial Personnel is responsible for disclosing the details of his/her Related Parties, to the Company Secretary on an annual basis.

Every Director and the Key Managerial Personnel will also be responsible to update the Company Secretary of any changes in his/ her Related Parties immediately on him / her becoming aware of such changes.

The Company Secretary shall be responsible to maintain an updated database of information pertaining to Related Parties.

The Chief Financial Officer will be responsible for providing prior Notice to the Company Secretary of any potential Related Party

Transaction. They will also be responsible for providing additional information about the transaction that may be required, for placing before the Audit Committee, the Board or shareholders, as the case may be.

The suggested details and list of records and supporting documents which are required to be provided along with the Notice of the proposed transaction are provided in Annexure-I to this Policy.

If required, the Company may refer any potential related party transaction to any external legal consultant/ expert for obtaining his/ her opinion on any legal/ regulatory issues involved in the potential related party transaction and the outcome or opinion of suchexercise shall be brought to the notice of the Audit Committee.

5.2 APPROVAL MECHANISM FOR RELATED PARTY TRANSACTION

5.2.1 APPROVAL BY THE AUDIT COMMITTEE

All Related Party Transactions (other than those entered into by the Company with its wholly owned subsidiary) shall require prior approval of the Audit Committee.

However, the transactions entered into by the Company with its wholly owned subsidiary, will be placed before the Committee for its approval.

In the case of frequent/ regular / repetitive transactions which are in the normal course of business of the Company, the Committee may grant Omnibus Approval.

While granting such omnibus approval, the Audit Committee shall satisfy itself of the need for the omnibus approval and that same is in the interest of the Company. The omnibus approval shall specify the following:

a. Name of the related party
b. Nature of the transaction
c. Period of the transaction
d. Maximum amount of the transactions that can be entered into
e. Indicative base price/ current contracted price and formula for variation in price, if any
f. Such other conditions as the Audit Committee may deem fit.

Transactions with omnibus approval of the Audit Committee shall not require any further approval till a period of one year, unless the price, value or material terms of the contract or arrangement have been varied / amended. Any proposed variations / amendments to these factors shall require prior approval of the Committee.

Further, where the need of the related party transaction cannot be foreseen and all prescribed details are not available, Committee may grant omnibus approval subject to the value per transaction not exceeding Rs.1,00,00,000/- (Rupees One Crore only).

The details of such transaction(s) shall be reported at the next meeting of the AuditCommittee for its approval.

5.2.2 APPROVAL BY THE BOARD

Following transactions with the Related Party(ies)under Section 2(76) of the CompaniesAct, 2013 shall require approval of the Board:

a. it is a specified transaction and is not in the Ordinary Course of Business or not at
   Arms' Length basis, or
b. the Committee determines that a Related Party Transaction should be brought before the Board, or
c. the Board in any case elects to review any such matter.

Provided that in case of a transaction falling under Point no.a. above, prior approval of the Board shall be required.

Provided further that in case of a transaction with a related party covered under Accounting Standard -18 the approval of the Board is not necessary.

5.2.3 APPROVAL BY THE SHAREHOLDERS

The approval of the Shareholders by way of Special Resolution in respect of a Related PartyTransaction shall be sought, if:

a. it is a specified transaction and exceeds the threshold limits and is not in theOrdinary Course of Business or not at Arms" Length basis, or
b. it is a Material Related Party Transaction.

Provided that in case of a transaction falling under Point no. "a" above, prior approval ofthe shareholders shall be required.

Provided further that in case of a transaction entered into by the Company with its wholly owned subsidiary, prior approval of the shareholders' of Holding Company shall be sufficient.

5.2.4 CONSIDERATION BY THE COMMITTEE / BOARD IN APPROVING THE PROPOSED TRANSACTIONS

While considering any transaction, the Committee/ Board shall take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevantmatters.

The Committee/ Board shall, *inter-alia*, consider the following factors to the extent relevantto the transaction:

a. Whether the terms of the Related Party Transaction are in the ordinary course of the
   Company's business and are on an arm's length basis;
b. 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;

c. Whether the Related Party Transaction includes any potential reputational risks thatmay arise as a result of or in connection with the proposed Transaction; and

Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company, takinginto 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 interest, 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 Committee deems relevant.

While considering the arm's length nature of the transaction, the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party should be taken into account. The subsequent events (i.e., events after the initial transactions have commenced) like evolving business strategies/short term commercial decisions to improve

/ sustain market share, changing market dynamics, local competitive scenario, economic / regulatory conditions affecting the global / domestic industry, may impact profitability but may not have a bearing on the other wise arm's length nature of the transaction should also be considered

5.2.6 REVIEW OF RELATED PARTY TRANSACTIONS

The Internal Auditors shall quarterly review and validate the compliance of the policy and present their Review Report to the Audit Committee.

The Audit Committee shall review on quarterly basis the details of all RPTsentered into by the Company including those entered in pursuance to the omnibus approval granted by it.

5.2.7 RELATED PARTY TRANSACTIONS NOTPREVIOUSLY APPROVED

In the event the Company becomes aware of a Related Party Transaction that has not been approved under this Policy, the transaction shall be placed as promptly as practicable before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and approval.

The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to theCompany, including but not limited to ratification, revision, or termination of such transaction, and the Company shall take such action as the it may consider appropriate under the circumstances.

5.3 DISCLOSURE AND REPORTING OF RELATED PARTYTRANSACTIONS

As required under Section 188 of the Companies Act, 2013 read with the Rules made there under, all contracts or arrangements with Related Parties which are in the nature of Specified Transactions shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.

The Company Secretary shall also make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

The Explanatory Statement annexed to the Notice convening General Meeting for seeking the Shareholders‟ approval for the Related Party Transaction shall contain such details as may be prescribed, such as

- Name of the Related Party;
- Name of the Director or Key Managerial Personnel, who is related, if any;
- Nature of relationship;
- Nature, material terms, monetary value and particulars of contract or arrangement;
- Other relevant or important in formation which enables the Shareholders to take a decision

Details of all material transactions with the Related Parties shall be disclosed to the Stock Exchanges on quarterly basis along with the Quarterly Corporate Governance Report.

6. SCOPE LIMITATION

In the event of any conflict between the provisions of this Policy and of the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, Rules shall prevail over this Policy.

Notwithstanding the foregoing, the following RPTs shall not be covered under the Policy and accordingly shall not require approval of Audit Committee/ Board/Shareholders:

1. Any transaction that involves the providing of compensation to a Director or KMP 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.

2. Any transaction 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.

3. Any other exception which is consistent with the applicable laws including any rules or regulations made thereunder.

However, all transactions with the related parties will be reported to the Audit Committee on quarterly basis.

7. DISSEMINATION OF POLICY

Either this Policy or the important provisions of this policy shall be disseminated to all functional and operational employees and other concerned persons of the Company and shall be hosted on and website of the Company and web link thereto shall be provided in the annual report of the Company.

ANNEXURE I

INFORMATION TO BE PROVIDED IN RELATION TO THE PROPOSED RELATED PARTY TRANSACTION (TO THE EXTENT RELEVANT TO THE TRANSACTION):

1. Name of the Related Party and nature of relationship;
2. Nature and duration of the contract/transaction and particulars thereof;
3. Material terms of the contract or arrangement or transaction including the value, if any;
4. In case of existing or approved contracts, transactions, details of proposed variations to the duration, current price / value and / or material terms of the contract or arrangement including a justification to the proposed variations;
5. Any advance paid/received or to be paid / received for the contract or arrangement,if any;
6. Manner of determining the pricing and other commercial terms, whether or notincluded as part of contract;
7. Copy of the draft MOU,agreement,contract, purchase order or correspondence etc.if any.
8. Applicable statutory provisions, if any;
9. Valuation reports in case of sale or purchase or leasing / renting of capital assets orsecurities;
10. Justification as to the arm's length nature of the proposed transaction;
11. Declaration whether the transaction is in the ordinary course of business;
12. Persons / authority approving the transaction; and
13. Any other information relevant or important for the Committee / Board to take adecision on the proposed transaction.