

**POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS  
(As modified and effective from January 29, 2026)**

**TITLE**

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

**OBJECTIVE**

Mahindra Holidays & Resorts India Limited (hereinafter referred to as "the Company") is a leading player in the leisure hospitality industry and also part of the Leisure and Hospitality sector of the Mahindra Group. 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory amendments thereto or re-enactment thereof) as amended from time to time.

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 had 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 Section 177 and 188 of the Companies Act, 2013 and Regulation 23 of the SEBI 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 SEBI Listing Regulations and the Act as amended from time to time.

**"Board"** means the Board of Directors of Mahindra Holidays & Resorts India Limited.

**"Company"** means Mahindra Holidays & Resorts India Limited.

**"Key Managerial Personnel"** in relation to a Company means Key Managerial Personnel ("KMP") as defined in Section 2(51) of the Act.

**"Material Modifications"** means any change in the approved terms which has a financial implication of 35% or more of the contract or Rs. 10 crore, whichever is lower.

**"Material Related Party Transaction"** means a transaction(s) with a Related Party entered individually or taken together with previous transactions during a financial year, meets the threshold limit provided in Regulation 23(1) read with Schedule XII of SEBI Listing Regulations and any other applicable laws.

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.

**"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.

**"Related Party"** means a related party as defined under the Act or rules made thereunder and under Regulation 2(1)(zb) of the SEBI Listing Regulations as amended from time to time.

**"Related Party Transactions"** shall mean such transactions as specified under Section 188 of the Act or rules made thereunder and Regulation 2(1)(zc) of the SEBI Listing Regulations, as amended from time to time.

**"Relative"** means a relative as defined under the Act and Regulation 2(1)(zd) of the SEBI Listing Regulations, as amended from time to time.

**"Senior Management"** means officers and personnel of the Company as defined under Regulation 16(1)(d) of the SEBI 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 Act, SEBI Listing Regulations, SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or any other applicable law or regulation.

**DECLARATION BY DIRECTORS/ PROMOTERS/KMP:**

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. Partnership 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);
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.
9. He/ She confirm and undertake that they have not entered into any agreement with any shareholder, promoter, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or any of its subsidiary or associate company or with the Company or with any third party whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, whether or not the Company is a party to such agreement(s); and
10. In case he/she enter into any such agreement or in case there is any rescission, amendment or alteration of such agreement, he/she shall immediately inform the Company about entering into such agreement or about any recession, amendment or alteration to such agreement.

Every KMP 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. Partnership 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.

5. He/ She confirm and undertake that they have not entered into any agreement with any shareholder, promoter, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or any of its subsidiary or associate company or with the Company or with any third party whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, whether or not the Company is a party to such agreement(s).
6. In case he/she enter into any such agreement or in case there is any rescission, amendment or alteration of such agreement, he/she shall immediately inform the Company about entering into such agreement or about any recession, amendment or alteration to such agreement.

Every Director, KMP, Leadership Team Members, 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 Committee and the Board.

Further, every Director, KMP, Promoter, Promoter Group or any other person dealing with the Company shall disclose to the Company all information that is relevant and necessary for the Company to ensure compliance with the applicable laws, from time to time.

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

All transactions 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 material modification(s) 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.
2. Only those Members of the Audit Committee, who are Independent Directors, shall approve Related Party Transactions.
3. 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 material in terms of this Policy;
  - 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 half-yearly disclosures of Related Party Transactions made to the Stock Exchanges;

- 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 of any Director, or is authorised by any other Director, the Director(s) concerned shall indemnify the Company against any loss incurred by it.

4. A Related Party Transaction exceeding INR One (1) Crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company (subsidiary having audited financials) is a party, but the Company is not a party, shall require prior approval of the Audit Committee if the value of such transaction exceeds the lower of the following:
  - a. ten percent of the annual standalone turnover of the subsidiary as per the last audited financial statements of the subsidiary; or
  - b. the threshold for material related party transactions of the Company as specified in Schedule XII of the SEBI Listing Regulations.
5. A Related Party Transaction exceeding INR One (1) 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:
  - a. ten percent of the aggregate value of paid-up share capital and securities premium account of the subsidiary; or  

Explanation: 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.
  - b. the threshold for material related party transactions of the Company as specified in Schedule XII of the SEBI Listing Regulations:
6. i) 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 as per SEBI Listing Regulations provided that the same is not material 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.  
  
ii) Retail Purchases made by directors or KMP of the listed entity or its subsidiary, and relatives of such directors or KMP (without creating business relationship and uniformly applicable to all employees, directors, KMP and relatives of directors or KMP) would not be considered as RPT under LODR and shall not require approval of Audit Committee of listed entity.

Although the aforesaid transactions are exempted from obtaining approval of the Audit Committee under SEBI Listing Regulations, the Company will assess the requirement and seek approval of the Audit Committee as required under the provisions of the Act.

A Related Party Transaction covers a transaction between the Company or any of its subsidiary(ies) 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 subsidiary(ies).

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.

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 / variation, if any, maximum amount of transaction , credit terms etc., prior approval once given by the Audit Committee would suffice and Audit Committee would only note the transactions that are entered into pursuant to such master agreement and such transactions 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 to be entered into by the Company or its subsidiary subject to the following conditions:

The Audit Committee shall lay down the criteria for granting omnibus approval in line with the Policy and such approval shall be applicable in respect of transactions which are repetitive in nature (in past or in future);

The Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company;

a. Such omnibus approval shall specify the following:

- a) Name(s) of the Related Party;
- b) Nature of the transaction;
- c) Period of transaction;
- d) Maximum amount of transaction that can be entered into;
- e) The indicative base price/ current contracted price and the formula for variation in the price, if any;
- f) Such other conditions as the Audit Committee may deem fit.

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.

All omnibus approvals granted pursuant to the Act and SEBI 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 Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the Company or its subsidiary pursuant to each of the omnibus approval given subject to exception mentioned in the Act and SEBI Listing Regulations.

The omnibus approval granted by the shareholders for material Related Party Transactions:

- i. 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 Act; and
- ii. 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.

In determining whether approval needs to be accorded to a Related Party Transaction, the Board/ Audit Committee will consider the following factors with respect to the Company and/or the subsidiary, as the case may be:

- Whether the terms of the Related Party Transaction are fair to the Company/subsidiary as the case may be 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/subsidiary as the case may be 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/subsidiary, 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.

Further, in terms of the provisions of SEBI Listing Regulations, all Material Related Party Transactions and subsequent Material Modifications, as may be prescribed from time to time, shall require prior approval of shareholders of the Company through resolution (unless it is exempted pursuant to the provisions of SEBI Listing Regulations) and no Related Parties shall vote to approve on such resolution(s) whether the entity is related party to the particular transaction or not (unless it is exempted pursuant to the provisions of SEBI Listing Regulations).

#### **Transactions exempted from prior approval of the Audit Committee and Shareholders**

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

- i. the 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;
- ii. 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;

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.

All related party transactions should be pre-approved by the Audit Committee and/or the Board of Directors and Shareholders, as elaborated in this Policy, except the related party transactions stated below:

- i. the issue of specified securities on a preferential basis, subject to compliance of the requirements under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- ii. the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
  - a. payment of dividend;
  - b. subdivision or consolidation of securities;
  - c. issuance of securities by way of a rights issue or a bonus issue; and
  - d. buy-back of securities

All Related Party Transactions pursuant to Section 188 of the Act which are not in the ordinary course of business and / or not on an Arms' length basis and beyond the threshold limits prescribed under the Act shall also require the approval of Shareholders of the Company through resolution. 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.

In case the Shareholders decide not to 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 provided for review of the Audit Committee and Shareholders for approval of Related Party Transaction(s)**

While placing any proposal for review and approval of an RPT, the Company shall provide the Audit Committee and the Shareholders with the information as specified in the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" ("RPT Industry Standards"), as made applicable by SEBI vide its Circular dated 26<sup>th</sup> June 2025 read with SEBI Circular dated 13<sup>th</sup> October 2025.

#### **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 within timeframe 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 as per Companies Act, 2013 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 KMPs, Leadership Team, HOD's or any other person authorized to enter into any transaction on behalf of the Company shall not undertake any transaction with related party unless they confirm that the transaction has prior approval of the Audit Committee and that the transaction is both in the Ordinary course of business and at Arm's length basis. Any transaction not meeting the required criteria mentioned above should be brought to the notice of the Secretarial Department, Finance Department and the CFO for seeking the requisite approvals.

#### **SCOPE LIMITATION**

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

#### **REVIEW AND DISSEMINATION OF POLICY**

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

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.

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