

BAJAJ HOUSING FINANCE LIMITED

***Policy on Materiality of & Dealing with Related Party
Transactions***

October 2026

Version 5.0

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Introduction:

The Company has adopted a Policy on materiality of & dealing with Related Party Transactions ('RPT') (the 'Policy') in line with the requirement of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and is intended to ensure that the dealings in Related Party Transactions meet requisite approval and reporting norms as required under the applicable laws.

Definition:

The terms 'Related Party', 'Related Party Transactions (RPT)', 'Relative', 'Arms' length transaction', 'Omnibus Approval' & such other terms will carry the meaning as stated under the Companies Act, 2013 ('Act') and SEBI Listing Regulations, as amended from time to time.

Governing Laws:

This Policy is governed by the provisions of the SEBI Listing Regulations read with relevant SEBI Circulars, as amended from time to time, and the applicable provisions of the Act, read with Indian Accounting Standard (Ind AS) 24.

In any circumstance where the terms of this Policy differ from any existing or enacted law, rule, regulation governing the Company, the law, rule or regulation will take precedence over the provision of this Policy.

Committee Responsible for Board Recommendations:

Any change to the Policy has to be reviewed and recommended by the Audit Committee for the approval of the Board.

Scope:

This Policy lays down the framework for review, approval, ratification, monitoring and disclosure of Related Party Transactions in accordance with applicable laws.

Detailed Content along with Roles and Responsibilities:

A. Identification of Related Party:

The Company's Directors and the Key Managerial Personnel ("KMP") shall be responsible to inform the Company Secretary and/or Secretarial Department w.r.t relatives, directorships including appointment in other entities, holdings, interests and/or control, etc as defined under Section 2(76) of the Act, IND-AS 24 and Regulation 2(zb) of SEBI Listing Regulations as applicable and then immediately as and when any change occurs in relationships with related party(ies). The promoters and promoter group shall also be included in the list of related parties as per the SEBI Listing Regulations.

The Company Secretary and/or Secretarial Department shall maintain and periodically update a database of Related Parties of the Company and obtain the details from its subsidiaries, if any and/or Holding company of their related parties and communicate the same, as and when required, to the relevant functional departments for monitoring RPTs.

B. Material Modification:

Material modification will mean and include any modification, together with previous modifications during a financial year, made in the nature, value/exposure, or other terms and conditions of any proposed or ongoing RPT, as originally approved by the Audit Committee and/or Shareholders, which has the effect of variation in the contracted value of the transaction by 20% of the existing value or Rs. 1 crore, whichever is higher.

Provided that, a modification mandated pursuant to change in law or is uniformly affected for similar transactions with unrelated parties shall not be regarded as material modification.

C. Material Related Party Transaction:

a. Under 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, exceed the thresholds specified under **Annexure 1** of this policy.

b. Under the Act:

Transactions as provided in Section 188 of the Act entered into with a related party as defined under Section 2(76) of the Act read along with the rules made thereunder, that is not in the ordinary course of business or not at an arm's length basis and exceeds the threshold as specified in Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

D. Approval Matrix for Related Party Transaction:

Approving Authority	Type of Transactions
Audit Committee (Only those members of the Audit Committee, who are independent directors, shall approve Related Party Transactions).	- All Related Party Transactions and subsequent modifications shall require prior approval of the Audit Committee of the Company. - All related party transaction above rupees one crore, whether entered into individually or taken together with previous transactions during a financial year, to which the subsidiary of the Company, if any 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 exceeds the lower of the following: i. ten percent of the annual standalone turnover of the subsidiary, if any as per the last audited financial statements of the subsidiary; or ii. the threshold for material related party transactions of the Company as specified in Annexure 1 of this policy.
Board of Directors	- Related Party Transactions referred by the Audit Committee for approval. - Related Party Transactions under the act not in ordinary course of business or not on an arm's length basis. - Material transactions or material modifications to material transactions to be placed before the shareholders must be recommended by the Board for approval to the Shareholders.

Shareholders (all the shareholders of the Company who are related parties shall not vote to approve the transaction)	• Material Related Party Transactions under the SEBI Listing Regulations. • Subsequent material modifications to material related party transactions. • Related party transactions not in ordinary course of business or not on arm's length basis and exceeds the threshold as specified in Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.
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Notes:

1. The Company shall place before the Audit Committee and the Shareholders, as applicable, all information as prescribed under the Act and the SEBI Listing Regulations, including information required pursuant to the RPT Industry Standards and circulars issued by SEBI from time to time, as applicable, or such other information as may be requested or directed by the Audit Committee, for approval or ratification.
2. The Audit Committee or the Board as may be required shall after considering the information placed before them, satisfy themselves that the transaction is in the ordinary course of business and meets the arm's length requirements.
3. Any member of the Audit Committee and/or Board, who has a potential interest in any RPT shall recuse himself or herself from the discussion and abstain from voting on the approval of the RPT.
4. The RPTs specifically exempted under SEBI Listing Regulations, Act or any other applicable law may not require approval as per the above matrix.
5. The Audit Committee shall also review the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis.

E. Omnibus approval for Related Party Transactions:

Audit Committee:

- The Audit Committee may grant omnibus approval in accordance with the provisions of Section 177 of the Act read along with Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(3) of the SEBI Listing Regulations for Related Party Transactions proposed to be undertaken by the Company or its subsidiary(ies), if any that requires approval under this Policy, which are in the ordinary course of the business, arm's length basis and of repetitive/regular nature proposed to be entered into.
- The Audit Committee shall lay down the criteria for granting the omnibus approval.
- The Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company.
- Where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction per related party.
- The Audit Committee would review on a quarterly basis the details of such Related Party Transactions entered into pursuant to each of the omnibus approval given.
- The omnibus approval will remain valid for a period of one financial year.

Shareholders:

- The omnibus approval granted by the shareholders for material related party transactions 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 or rules, notifications, or circulars issued thereunder from time to time.

- In case of omnibus approvals for material related party transactions, granted by shareholders 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.
- A material RPT for which the Audit Committee has granted omnibus approval shall be placed before the shareholders.

F. Related Party Transactions not approved on a prior basis under this policy:

- In the event the Company becomes aware of a Related Party Transaction that has not been approved under this Policy prior to its consummation, the Company would obtain post-facto approval from the Audit Committee/ the Board and/or shareholders of the Company, as required under applicable laws within the prescribed timelines.
- The ratification of Related Party Transactions by the Audit Committee shall be subject to the adherence of the following conditions:
 - i. Only those members of the Audit Committee, who are independent directors, can ratify Related Party Transactions.
 - ii. The Related Party Transactions are to be ratified in the immediate next Audit Committee meeting, subject to a maximum period of three months from the date of transaction, whichever is earlier.
 - iii. The value of ratified transactions with a Related Party, whether entered into individually or taken together with other ratified transactions, shall not exceed rupees one crore during a financial year.
 - iv. The transaction shall not be a Material Related Party Transaction under SEBI Listing Regulations.
 - v. The rationale for inability to seek prior approval for the Related Party Transaction shall be placed before the Audit Committee while seeking ratification.
 - vi. Ratification details to be disclosed along with the disclosures of related party transactions in terms of the provisions under Regulation 23(9) of SEBI Listing Regulations on a half-yearly basis.
- If the Company has entered into a Related Party Transaction under Section 188 of the Act read along with the rules made thereunder, without the approval of the Board / Shareholders, as may be required, then the said Related Party Transaction may be ratified by the Board / Shareholders, as may be required, within 3 months from the date on which such contract or arrangement was entered into, subject to applicable laws.
- Failure to seek ratification, within the prescribed timelines / beyond the prescribed amount shall render the transaction voidable, at the option of the appropriate approving authority, and may be adopted by the appropriate authority.
- 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.

G. List of Documents to be maintained

The Company shall maintain an updated list of related parties identified in accordance with this Policy and applicable laws, for tracking, monitoring and reporting Related Party Transactions.

H. Disclosures

- The Company shall host this Policy on its website at all times.

- The Company shall submit disclosures of related party transactions, in the format specified by SEBI, to the stock exchanges on a half-yearly basis within the prescribed timelines. The disclosures shall also be published on the Company's website.
- The Annual Report shall contain disclosures relating to:
 - Web link of the RPT Policy;
 - Details of related party transactions;
 - Other disclosures as prescribed under Schedule V of the SEBI Listing Regulations.
- Related party disclosures shall be made in the financial statements in accordance with applicable accounting standards (Ind AS 24 / AS 18).

I. Policy Review:

This Policy is framed based on the provisions of the SEBI Listing Regulations, the Act and rules thereunder and other applicable laws.

This Policy shall be reviewed by the Board as and when any changes are to be incorporated in the Policy due to change in applicable laws or at least once in every three years and updated accordingly.

J. Abbreviation Key and Appendix:

This clause is not applicable to the policy.

Place: Pune

Date: 16 October 2026

CHAIRMAN

Annexure I

- A. 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 the following:

Consolidated Turnover of Listed Entity Threshold	Threshold
(I) Up to Rs. 20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than Rs. 20,000 Crore to upto Rs. 40,000 Crore	Rs. 2,000 Crore + 5% of the annual consolidated turnover of the listed entity above Rs. 20,000 Crore
(III) More than Rs. 40,000 Crore	Rs. 3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above Rs. 40,000 Crore or Rs. 5000 Crore, whichever is lower.

Explanation: For the purpose of computing the thresholds stated above, the annual consolidated turnover of the listed entity shall be determined based on the last audited financial statements of the listed entity.

The Company currently falls under category (I) of the above table.

- B. 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 listed entity as per the last audited financial statements of the Company.