LAKE SHORE REALTY LIMITED

CIN No: L68100DL1987PLC350285

POLICY ON RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

PREAMBLE

The Board of Directors (the "Board") of Lake Shore Realty Limited (the "Company"), has adopted the following policy and procedures with regard to the Related Party Transactions and on Dealing with Related Party Transactions as defined below. The Audit Committee shall review and may propose amendments to this policy as may be required.

The policy will be applicable to the Company. This policy is to regulate transactions between the Company and its related parties based on the laws and regulations applicable on the Company.

BASIC GUIDELINES

The Code has been framed and adopted by the Company in compliance with the provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and such other Rules/Regulations, as may be notified by the Government/ SEBI from time to time and the Companies Act, 2013 (the "Act") and the Companies (Meetings of Board and its Powers) Rules, 2014 (the "Rules"), as amended from time to time.

Any references to statutory provisions shall be construed as references to those provisions as amended or re- enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

OBJECTIVE

This policy is framed in compliance with Regulation 23 of Listing Regulations and such other Rules/Regulations, as may be notified by the Government/ SEBI from time to time and Section 188 of the Act and the Rules, as amended from time to time, and other applicable provisions, if any (collectively referred to as the "Applicable Regulatory Provisions").

This policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable to the Company, and all Related Party Transactions shall be entered into by the Company in accordance with this Policy or in accordance with the applicable provisions.

DEFINITIONS

"*Arm's Length Transaction*"	shall mean a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
"Associate"	shall mean a Company as defined under section 2(6) of the Act and as defined by Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and by Accounting Standard (AS) 18, "Related party disclosures".
"*Audit Committee or Committee*"	shall mean the Audit Committee of the Board constituted under Section 177 of the Act and Regulations 18 of the Listing Regulation;
"*Board*"	shall mean the Board of Directors of the Company.
"*Control*"	means control as defined in Section 2(27) of the Act and shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
"*Key Managerial Personnel*"	shall mean the officers of the Company as defined in Section 2(51) of the Act and other applicable provisions, if any, as amended from time to time.
"Material Modification"	means any subsequent change to an existing Related Party Transaction, having variance of 20% of the existing limit or Rs.10 crores whichever is lower

"Policy"	shall mean this Policy on Related Party Transactions and on Dealing with Related Party Transactions.
"*Ordinary course of business*"	shall mean 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 Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.
"*Relative*"	with reference to any person, means who is related to another, if:- (i) They are members of a Hindu Undivided Family; (ii) They are Husband or wife or (iii) One person is related to the another in any of the following ways, namely: a. Father, includes step-father. b. Mother, includes step-mother. c. Son, includes step-son. d. Son's wife. e. Daughter. f. Daughter's husband. g. Brother, includes step-brother. h. Sister, includes step-sister.
"*Related Party*"	Shal mean a party as defined in sub-section (76) of Section 2 of the Act and Regulation 2(zb) of SEBI LODR including modifications or amendments made thereto.
"*Related Party Transactions*"	Shall means transactions as given under clause (a) to (g) sub-section (1) of Section 188 and the Rules related thereto and as defined in Regulation 2(zc) of SEBI LODR including modifications or amendments
"*Subsidiary*"	means a Company as defined under section 2(87) of the Act, and as defined by Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and by Accounting Standard (AS) 18, "Related party disclosures".

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such term in the Act and the Listing Regulations, as amended from time to time.

POLICY

The Company shall not enter into contracts or arrangements with a related party without the approval of the Audit Committee and referred for approval by the Committee in accordance with this policy.

CONTRACTS OR ARRANGEMENTS NOT IN THE ORDINARY COURSE OF BUSINESS OR AT ARM'S LENGTH BASIS

Contracts or arrangements approved which are not in the ordinary course of business or at arm's length shall be disclosed in the Board's Report along with justification for entering into such contract or arrangement.

In the event such contract or arrangement is not in the ordinary course of business or at arm's length, the company shall comply with the provisions of the Act and the Rules framed thereunder and obtain approval of the Board or its shareholders, as applicable, for such contract or arrangement.

MATERIAL RELATED PARTY TRANSACTIONS

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 Company Threshold	Threshold
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the Company
(II) More than ₹20,000 Crore to upto ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the Company above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the Company above ₹40,000 Crore or ₹5000 Crores, whichever is lower.

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

IDENTIFICATION OF RELATED PARTY

Each director and Key Managerial Personal ("KMP") is responsible for providing notice to the Board or Audit Committee regarding persons and entities to be considered as "Related Party" by virtue of his/her being Director/KMP in the entity or holding certain shareholding percentage. Such notice shall be provided to the Company at the time of appointment and also at the time of first board meeting in every financial year and whenever there is any change in the disclosures already made.

IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

Every director, key managerial personnel (KMPs) and promoters shall at the beginning of the financial year provide information by way of written notice to the Company regarding their concern or interest in the entity with specific concern to parties which may be considered as related party with respect to the Company and shall also provide the list of relatives which are regarded as related party as per Act and Listing Regulation. Directors, KMPs and promoters are also required to provide the information regarding their engagement with other entity during the financial year which may be regarded as related party, as per Act and Listing Regulation.

The Company will identify potential transactions with Related Parties based on written notices of concern or interests received from its Directors / Key Managerial Personnel / Promoters as well as based on the list of related parties of the Subsidiary Companies, in the manner prescribed in Act and the rules thereunder and SEBI LODR, as amended from time to time.

TERMS OF THE POLICY

1. All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

2. All the Related Party Transactions proposed to be entered into shall require prior approval of the Audit Committee including the transactions to be entered in the ordinary course of business. The Audit Committee shall accordingly

recommend the Related Party Transaction for the approval of Board of Directors/ Shareholders as per the terms of this policy.

3. All the Related Party Transactions prescribed under Section 188 of the Act and within the threshold limits prescribed under rule 15 sub rule (3) of the Rules, shall along with the prior approval of Audit Committee shall also require approval of the Board of Directors.

4. All the Material Related Party Transactions and Related Party Transactions, exceeding the threshold limits prescribed under rule 15 sub rule (3) of the Rules shall require prior approval of the Audit Committee, Board of Directors and Shareholders of the Company by way of Resolution prescribed under section 188 of the Act and the Listing Regulation.

REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

All related party transactions must be reported to the Audit Committee for its prior approval in accordance with this Policy. The Committee shall review the transaction/s and report the same for approval of the Board and shareholders, if required, in accordance with this Policy.

1. Approval of Audit Committee

- Every Related Party Transaction and subsequent Material Modifications shall be subject to the prior approval of the Audit Committee.
  Members of the audit committee, who are independent directors, shall only approve related party transactions.

- A related party transaction exceeding rupees one crore, whether entered into individually or aggregated with previous transactions during a financial year, to which a subsidiary of the 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 exceeds the lower of the following:
  (i) ten percent of the annual standalone turnover of the subsidiary, as per its last audited financial statements; or
  (ii) the threshold for material related party transactions of the Company, as specified

- A related party transaction exceeding rupees one crore, whether entered into individually or aggregated with previous transactions during a financial year, to which a subsidiary of the Company is a party but the Company is not a party, and where 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 required if the value of such transaction exceeds the lower of the following:
  (i) ten percent of the aggregate value of the paid-up share capital and securities premium account of the subsidiary; or
  (ii) the threshold for material related party transactions of the Company, as specified

  The aggregate value of the paid-up share capital and securities premium account of the subsidiary shall be considered as on a date not earlier than three months prior to the date of seeking approval of the Audit Committee.

- The prior approval of the Audit Committee of the Company shall not be required for a related party transaction to which a listed subsidiary is a party but the Company is not a party, where Regulation 23 and sub-regulation (2) of Regulation 15 of Listing Regulation are applicable to such listed subsidiary.
  For related party transactions of unlisted subsidiaries of a listed subsidiary, as referred to in clause above, the prior approval of the Audit Committee of the listed subsidiary shall be sufficient.

- The 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 in terms as specified

- The members of the Audit Committee, who are independent directors, may ratify related party transactions within three months from the date of such transaction or at the immediately succeeding 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 aggregated during a financial year, shall not exceed rupees one crore;
  (ii) the transaction is not material in terms of as specified;

(iii) the rationale for the inability to seek prior approval for the transaction is placed before the Audit Committee at the time of seeking ratification;
(iv) the details of such ratification are disclosed along with the disclosures of related party transactions in accordance with Listing Regulation;
(v) any other condition as may be specified by the Audit Committee.

In case Company fails to seek ratification of the Audit Committee shall render the transaction voidable at the option of the Audit Committee, and where 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.

- The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company or its subsidiary, subject to the following conditions:
  a) the Audit Committee shall lay down the criteria for granting omnibus approval in line with the policy on related party transactions, and such approval shall be applicable only in respect of transactions which are repetitive in nature;
  b) the Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company;
  c) the omnibus approval shall specify:
     (i) the name(s) of the related party, nature of the transaction, period of the transaction, and the maximum amount of transactions that may be entered into;
     (ii) the indicative base price or current contracted price and the formula for variation in the price, if any; and
     (iii) such other conditions as the Audit Committee may deem fit:

  Where the need for a related party transaction cannot be foreseen and the aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions, subject to their value not exceeding rupees one crore per transaction.

  The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company or its subsidiary pursuant to each of the omnibus approvals granted.

  Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approval upon expiry.

2. Approval of Board of Directors

- If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for the Board to approve a Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

- All the related party transactions prescribed under Section 188 of the Act, which are not in the ordinary course of business or not at Arm's Length Basis and all material related party transactions shall be brought before the Board and the Board shall consider and approve the related party transaction at a meeting.

- Any member of the Board who is interested or has potential interest (as mentioned under section 184(2) of the Act), in any related party transaction shall not be present at the meeting during discussions on the subject matter of the resolution relating to such related party transaction.

3. Approval of Shareholders

- All the Material Related Party Transactions shall require approval of the shareholders through resolution prescribed under section 188 of the Act and the Listing Regulation and the Related Parties shall abstain from voting on such resolution.

- All the Transactions, other than the Material Related Party Transaction, with the related parties which are not in the Ordinary Course of Business and at Arms' Length shall, subject to the limits mentioned in Rules 15(3) of the Rules, also require the approval of the shareholders through resolution prescribed under section 188 of the Act and the Listing Regulation and the Related Parties shall abstain from voting on such resolution.

- Further, all related party transactions which are not in the ordinary course of business or not at the arm's length price and are exceeding threshold limits prescribed in section 188 of the Act as amended from time to time shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and all entities falling under the definition of Related Parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.

  Further, the information as prescribed under Act and/or the Listing Regulation, from time to time shall be provided in the Notice to the shareholders for consideration of RPTs.

- All material related party transactions and subsequent material modifications, as defined by the Audit Committee, shall require prior approval of the shareholders by way of a resolution, and no related party shall vote to approve such resolutions, irrespective of whether the entity is a related party to the particular transaction or not:

  Subject to the condition that prior approval of the shareholders of a Company shall not be required for a related party transaction to which a listed subsidiary is a party but the Company is not a party, where Regulation 23 and sub-regulation (2) of Regulation 15 of Listing Regulations are applicable to such listed subsidiary.
  For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to above, the prior approval of the shareholders of the listed subsidiary shall be sufficient.

  Further, the requirements specified under this sub-regulation shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to disclosure of such event to the recognised stock exchanges within one day of approval of the resolution plan.

  Further, omnibus approval granted by the shareholders for material related party transactions at an annual general meeting shall be valid until the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Companies Act, 2013, or rules, notifications, or circulars issued thereunder.

  Further, in case of omnibus approvals for material related party transactions granted by shareholders in general meetings other than an annual general meeting, the validity of such approvals shall not exceed one year from the date of such approval

4. Transaction not requiring approval of Audit Committee, Board or Shareholders

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 on a pro rata basis as the Related Party, including the following:

(a) the issue of specified securities on a preferential basis, subject to compliance with the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(b) the following corporate actions which are uniformly applicable or offered to all shareholders in proportion to their shareholding:
  (i) payment of dividend;
  (ii) subdivision or consolidation of securities;
  (iii) issuance of securities by way of a rights issue or a bonus issue; and
  (iv) buy-back of securities;

(c) retail purchases from the Company or its subsidiary by its directors or its employees, without establishing a business relationship and at terms which are uniformly applicable or offered to all employees and directors;

(d) remuneration and sitting fees paid by the Company or its subsidiary to its director, key managerial personnel, or senior management, except those who are part of the promoter or promoter group, provided that the same is not material in terms of the provisions of Regulation 23(1) of the Listing Regulations.

CRITERIA FOR APPROVAL OF A RELATED PARTY TRANSACTION BY THE BOARD / AUDIT COMMITTEE

a) To review a Related Party Transaction, the Board / Audit Committee will be provided all relevant material information of the Related Party Transaction, 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 relevant matters.

b) The information provided shall specifically cover the following:
   (i) the name of the related party and nature of relationship;
   (ii) the nature, duration of the contract and particulars of the contract or arrangement;
   (iii) the material terms of the contract or arrangement including the value, if any;
   (iv) any advance paid or received for the contract or arrangement, if any;
   (v) the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
   (vi) whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;
   (vii) the persons/authority approving the transaction; and
   (viii) any other information relevant or important for the Committee to take a decision on the proposed transaction.

c) In determining whether to approve a Related Party Transaction, the Board/ Audit Committee shall consider the following factors, amongst others, to the extant relevant to the Related Party Transaction:-
   (i) Whether the transaction is in the ordinary course of business of the Company.
   (ii) Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
   (iii) Whether there are any undue compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
   (iv) Whether the Related Party Transaction would affect the independence of the directors/KMP;
   (v) Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
   (vi) Where the ratification of the Related Party Transaction is allowed by law and is sought from the Committee, the reason for not obtaining the prior approval of the Committee and the relevance of business urgency and whether subsequent ratification would be detrimental to the Company; and
   (vii) Whether the Related Party transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, 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 Board/Committee deems relevant.

DISCLOSURES

a) Every Director of a Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
   (i) With a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
   (ii) With a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

   Where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

b) All Directors/ KMPs are required to disclose the entities in which they or their relatives are or deemed to be interested, in the prescribed form.

c) Each Director and KMP of the Company shall promptly notify the Company Secretary of the Company of any material transaction or Relationship that could reasonably be expected to give rise to any conflict of interest.

d) The Company shall maintain Register pertaining to related party transactions in the prescribed form.

e) The related party transaction entered into with the related party/ies shall be disclosed in the Director Report / Annul Report as per the disclosure requirement of the Act.

f) The Policy on dealing with Related Party Transactions is disclosed in the company's website and a web link thereto shall be provided in the Annual Report.

g) Details of all material transactions with related parties shall be disclosed, quarterly in the Compliance Report on Corporate Governance, as required under listing agreement.

The Company shall submit information related to RPTs to the stock exchanges every six months, in the format specified by the Listing Regulation, simultaneously with the publication of financials and also publish the same on its website.

Further, the 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 disclosure provided that the same is not material in terms specified.

RATIFICATION

If a Related Party Transaction is entered into by the Company without being approved under this Policy, the same shall be reviewed by the Audit Committee. The Audit Committee shall evaluate the transaction and may decide such action as it may consider appropriate including ratification (subject to terms of this Policy), revision or termination of the Related Party Transaction. The Audit Committee may examine the facts and circumstances of the case and take any such action it deems appropriate.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision /amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

This Policy will be communicated to all operational employees and other concerned persons of the Company.

The approved Policy shall be uploaded on the website of the Company at www.lakeshorerealty.in/

Note: Pursuant to the provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulation"), the compliance with the corporate governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of SEBI Listing Regulations which specifies that the provisions of Corporate Governance shall not be applicable on listed entity. However, the Company shall ensure compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, as and when such provisions become applicable to the Company in future, within the prescribed timelines under the applicable laws and regulations.

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(This Policy is approved by the Board of Directors at their meeting held on23rd May, 2026 and shall be effective from 23rd May, 2026)