

MAX LIFE INSURANCE COMPANY LIMITED (“Company” or “Max Life”)

POLICY ON RELATED PARTY TRANSACTIONS (“Policy”)

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I. Overview:

The Companies Act, 2013 (“Companies Act” or “the Act”) introduced sections 177, 184 and 188, which contain provisions regarding Related Party Transactions. These sections, along with the relevant rules framed under the Companies Act and the Secretarial Standards issued by the Institute of Company Secretaries of India, have introduced certain compliance and approval requirements with respect to Related Party Transactions. IRDAI (Corporate Governance ~~Guidelines for Insurers~~ Regulations, 2024 and circular/ guidelines thereon (“Corporate Governance Regulations”)) also require adherence to various compliances for entering into transaction with Related Party(ies). Accordingly, this Policy has been framed in order to outline the process, appropriate approvals, accounting procedures and statutory compliances pertaining to Related Party Transactions.

Related Party Transactions are also tested for arm’s length pricing as prescribed under the Income-tax Act, 1961 and are also reported in the annual audited Financial Statements as required under Accounting Standard 18 issued by The Institute of Chartered Accountants of India.

Max Life recognizes that while transacting with Related Parties may be a part of normal business transactions, applicable laws require that appropriate approvals shall be duly obtained and reporting and disclosures shall be duly made and adhered to.

The provisions of this Policy shall be applicable, subject to the provisions of prevailing laws, regulations, guidelines etc. which are applicable to the Company.

II. Objectives:

- Identification of Related Parties under the Companies Act
- Identification of Group companies as required under Corporate Governance ~~Guidelines issued by IRDAI~~Regulations
- Approval of Related Parties Transactions
- Ensuring that such transactions are entered on Arm’s Length basis
- ~~Dealing with~~Identification of conflict of interest situations, -take actions to and protecting the interest of the Company/Policyholders and ensure appropriate disclosure requirements
- Reporting of the Related Party & Group company transactions
- Maintenance of records and responsibility thereof

III. Definitions:

1. **–“Arm’s Length”** means conducting a transaction between two Related Parties, as if they were unrelated, so that there is no conflict of interest.

2. **“Group”** is defined under Regulation 2(g) of IRDAI (Investment) Regulations, 2016

“Group” means two or more individuals, association of individuals, firms, trusts, trustees or bodies corporate, or any combination thereof, which exercises, or is established to be in a position to exercise, *significant influence** and / or control, directly or indirectly, over any associate as defined in Accounting Standard (AS), body corporate, firm or trust, or use of common brand names, Associated persons, as may be stipulated by the Authority, from time to time, by issuance of guidelines under these regulations.

Explanation: Use of common brand names in conjunction with other parameters of significant influence and / or control, whether direct or indirect shall be reckoned for determination for inclusion as forming part of the Group or otherwise.

**Significant Influence as defined in AS-18 means participation in the financial and/or operating policy decisions of an enterprise, but not control of those policies.*

3. **“Interested Director”** shall mean a director of the 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:

- with a body corporate in which such director individually or 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
- with a firm or other entity in which, such director is a partner, owner or member, as the case may be

4. **“Key Managerial Personnel”/ “KMP”**, in relation to a company, means-

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer;
- (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed;

5. **“Ordinary Course of Business”** is not defined under the Companies Act. In normal parlance ordinary course of business will cover the usual transactions, customs and practices of a business and of a company. In its guidance to auditors (SA-550), the Institute of Chartered Accountant of India has included the following few examples of transactions that may be considered outside the entity’s normal (or ordinary) course of business:

- Complex equity transactions, such as corporate restructurings or acquisitions.

- Transactions with offshore entities in jurisdictions with weak corporate laws.
- The leasing of premises or rendering of management services by the entity to another party if no consideration is exchanged.
- Sales transactions with unusually large discounts or returns.
- Transactions with circular arrangements, for example, sales with a commitment to repurchase.

Transactions in Ordinary Course of Business will include but not be limited to the following:

- Receipt of Insurance Premium
- Cost allocation from/to Group companies like Directors and Officers and Company Reimbursement Policy (D&O Policy), etc.
- Banking Services

6. **“Related Party (ies)”**, with reference to a company, means—

- a director or his relative;
- a key managerial personnel or his relative;
- a firm, in which a director, manager or his relative is a partner;
- a private company in which a director or manager or his relative is a member or director;
- a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;
- any body corporate whose Board of Directors, Managing Director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instruction given in a professional capacity;

- any body corporate which is -
 - a holding, subsidiary or an associate company of such company; or
 - a subsidiary of a holding company to which it is also a subsidiary;
 - an investing Company or the venture of the Company;

Explanation— For the purpose of (viii), “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

- A director (other than Independent Directors) or Key Managerial Personnel (KMP) of the holding company or his relative;

7. **“Relative”**, with reference to any person, means anyone who is related to another, if—

- They are members of a Hindu Undivided Family;
- They are husband and wife;

- (iii) Father (including step-father)
- (iv) Mother (including step-mother)
- (v) Son (including step-son)
- (vi) Son's wife
- (vii) Daughter
- (viii) Daughter's husband
- (ix) Brother (including step-brother)
- (x) Sister (including step-sister);

8. Following transactions with Related Party (ies) shall be considered as “**Related Party Transactions**” or (“**RPT**”)-

- (i) sale, purchase or supply of any goods or materials;
- (ii) selling or otherwise disposing of, or buying, property of any kind;
- (iii) leasing of property of any kind;
- (iv) availing or rendering of any services including availing banking services;
- (v) appointment of any agent for purchase or sale of goods, materials, services or property;
- (vi) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company;
- (vii) underwriting the subscription of any securities or derivatives thereof, of the company; and
- (viii) buying or selling of securities directly from/ to Related Party (ies)

Provided that, subject to the applicable laws, investment through secondary market (stock exchanges) in securities of the Related Party (ies) in accordance with the Investment Policy of the Company would not be treated as RPT.

The above list of Related Party Transactions shall require approvals under applicable laws and/or from Audit Committee, Board, Shareholders as per section V of this Policy.

9. “**Representative Director**” shall mean a director of the Board or member of the Audit Committee, who is nominated on the Board of directors or Audit Committee of the Company by a Related Party of the Company.

10. “**Turnover**” means the gross amount of revenue recognised in the profit and loss account from the sale, supply, or distribution of goods or on account of services rendered, or both, by a company during a financial year. Accordingly, for the Company, the ‘turnover’ will be considered as the ‘Total Income’, i.e., gross *premium* income and other income.

IIIA. Powers of the Audit Committee to approve Related Party Transactions

Subject to the provisions of the Companies Act, the Audit Committee shall be empowered to approve any transaction with Related Party(ies) through providing omnibus approval or one-time approval, as per its discretion.

Provided that in case of transaction, other than transactions referred to in section 188 of the Companies Act, 2013, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

All Related Party Transactions shall require approval of the Audit Committee and the Audit Committee may make omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions, namely-

(1) The Audit Committee after having taken prior approval of the Board by virtue of this policy being approved by the Board, hereby specifies the following criteria for making omnibus approval-

- a) Maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
- b) The maximum value per transaction which can be allowed;
- c) Extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
- d) Review, at such intervals as the Audit Committee may deem fit, of Related Party Transaction entered into by the company pursuant to each of omnibus approval made; and
- e) Transactions which cannot be subject to the omnibus approval by the Audit Committee.

(2) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:

- a) Repetitiveness of the transactions (in past or in future); and
- b) Justification for the need of omnibus approval.

(3) Related Party Transactions of the following nature are not subjected to omnibus approval mechanism:

- a) Transactions which are not in ordinary course of business or not at arm's length;
- b) Transactions which are not repetitive or unforeseen in nature;
- c) Transactions exceeding the thresholds limit for omnibus approval as specified under 'Framework on Omnibus Approval';
- d) Transactions in respect of selling or disposing of the undertaking of the Company; and
- e) Any other transaction as may be specified by the Audit Committee

(4) The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the Company.

(5) The omnibus approval shall contain or indicate the following: -

- a) name of the related parties;
- b) nature and duration of the transaction;
- c) maximum amount of transaction that can be entered into;
- d) the indicative base price or current contracted price and the formula for variation in the price, if any; and

- e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.

Subject to applicable laws, a related party transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Committee, will be placed before the Committee for ratification.

Note: An agreement/ arrangement of RPT for multiple years may be taken for one-time approval from the Audit Committee.

IV. Process for entering into Related Party/Group Transactions

Identification and communication of Related Parties and Group Companies:

- a. Secretarial shall be responsible for collating the list of all the Related Parties/ Group Companies of the Company from time to time on the basis of disclosures received from the directors of the Company.
- b. This list of Related Parties/ Group Companies shall be circulated to relevant departments including Finance, Legal and Procurement on quarterly basis.
- c. Secretarial shall confirm adherence of RPT compliances to Finance whenever required as a part of DQM or otherwise.

Entering into a Related Party/ Group Transaction:

- Before entering into any Related Party Transaction/ transaction with Group Company, the originator of the transaction shall submit to Finance all the relevant information in respect of the proposed transaction as given below:
 - Name of the Related Party/ Group Company with whom the transaction is proposed
 - Principle terms of the contract (annual estimated amount, manner of determining the pricing, tenure, purpose etc.)
 - Documentation in support of Arm's Length price of the transaction
 - Whether transaction is recurring in nature or not
 - Advance paid or received for the contract/ arrangement, if any
 - Whether transaction is in Ordinary Course of Business
 - Any other relevant detail(s) as required

Above-stated information is to be provided in the format as given in **Annexure-I** along with other supporting documents.

- Post scrutiny of the above details & documents and validation of Arm's Length pricing and that the transaction is in Ordinary Course of Business, Finance shall initiate the process to take the necessary approval in consensus with Secretarial.

In order to establish the Arm's Length Price of any particular transaction with Related Party/ Group Company (ies), the Company may also take advice of independent consultant, if required.

Method of Determination of Arm's Length Price (ALP):

The method of determination of ALP is neither defined under Companies Act, 2013 nor IRDAI Regulation. The detailed methodology of pricing is explained under section 92C (1) of the Income-tax Act, 1961 read with Rule 10B/10AB of the Income-tax Rules, 1962 which specifies six methods. The computation of ALP shall be determined by selecting any one of these methods.

1. Comparable Uncontrolled Price Method ("CUPM"): The CUPM evaluates the 'price' charged by an unrelated party for a similar transaction.
2. Cost Plus Method ("CPM"): The direct and indirect costs incurred by the enterprise in respect of property transferred or services provided to a Related Party, is adjusted with normal gross profit mark-up arising in a similar transaction with unrelated entity, taking into account the functional and other differences.
3. Resale Price Method ("RPM"): The price at which property or services purchased from an associated enterprise is resold to unrelated enterprise, is adjusted with the normal gross profit margin in a comparable uncontrolled transaction.
4. Transactional Net Margin Method ("TNMM"): The net profit margin from a transaction with Related Party is computed and compared with net profit margin of unrelated enterprise for a similar transaction.
5. Profit Split Method ("PSM"): The combined net profit of the associated enterprises is split amongst the enterprises in proportion to their relative contributions basis the functions performed.
6. Any Other Method: It involves the price that has been charged for the same or similar uncontrolled transaction, with or between unrelated enterprises, under similar circumstances.

Framework on Omnibus approval:

S. No.	Particulars	Criteria to be met
1	Maximum value of transactions, in aggregate, which can be allowed under the omnibus route in a year	Transactions with Related Parties shall not be more than 10% of Turnover
2	Maximum value per transaction, which can be allowed under the omnibus route in a year	Up to 10% of Turnover
3	Review of the value Related Party Transactions entered into by the company pursuant to each omnibus approval	Finance shall report to the Audit Committee in case variation is more than 10% of approved value of the transactions
4	The intervals at which such review is to be done can be decided by the Audit Committee	On annual basis
5	Transactions which cannot be subject to omnibus approval by the Audit Committee	Any transaction which is not of recurring nature. Transaction in respect of selling or disposing of the undertaking of the company.
6	Extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval	Following disclosures to be made: <ul style="list-style-type: none"> • name of the Related Parties • nature and duration of the transaction • maximum amount of transaction that can be entered into • the indicative base price or current contracted price and the formula for variation in the price, if any • any other information relevant or important for the Audit Committee to take a decision on the proposed transaction.

Notes:

- Transactions with regard to life insurance contract (including group master policyholder contracts) with Related Parties including Group companies, Directors/ KMP's and their relatives shall be deemed to be automatically approved by the Audit Committee, considering that the products and their pricing is approved by IRDAI and these transactions are in Ordinary Course of Business and at Arm's Length price. Similarly, Corporate tie ups for NPS contribution with Related Parties including Group companies shall be deemed to be automatically approved by Audit Committee considering that there shall be no outflow of the funds of the Company and the Company is only enabling the employees to contribute their NPS funds.
- Normal banking activities like operation of bank, custody and deposit accounts etc. (including opening of new accounts) shall be deemed to be automatically approved by the Audit Committee. However, as

a good governance, list of such accounts at the end of the financial year would be notified on annual basis.

- Reimbursement towards business expenditure which are supposed to be provided by Company to individuals who are Related Parties shall not require approval/ reporting as the same is incurred in the normal course of the business.

IVA. Governance and controls while entering into Related Party Transactions

Conflict of Interest

- Any situation of the conflict of interest relating to RPT shall be addressed and governed by the relevant provisions of the Companies Act, 2013, the Corporate Governance ~~Guidelines-Regulations issued by IRDAI~~, applicable accounting standards and any other applicable law(s).
- It shall be a duty of the Director of the Company to disclose his/ her details of interest as prescribed under section 184 and/ or any other applicable provisions of the Companies Act.
- An Interested Director shall make disclosure of his/ her interest to the Company before the Company enters into any RPT with such body corporate in which a director is interested. Further the Interested Director shall abstain himself/ herself and shall not be present at the meeting of the Audit Committee/ Board/ Shareholders during discussions on the subject matter of the resolution relating to RPT.

Provided that, in case a director/ member of the Audit Committee of the Company is not concerned or interested at the time of entering into such RPT, however whenever he learns that he became concerned or interested after the RPT is entered into, he shall disclose his concern or interest to the Board in its first meeting held after he becomes so concerned or interested and shall be considered as an Interested Director. Presence of an Interested Director shall not be counted for the purpose of the quorum for a particular agenda item of considering RPT by the Audit Committee/ Board of directors.

- A Representative Director shall abstain from the discussion and/ or voting on the RPT during the meeting of the Board/ Audit Committee, if such RPT is considered with the Related Party by which such Representative Director is nominated on the Board/ Audit Committee of the Company.

Further, a director of the Board/ member of the Audit Committee, in his discretion, may abstain from the discussion and voting of entering into a RPT, in case he is also a director in the other company with which RPT is proposed to be considered.

- In the event of non-presence of the dis-interested quorum in the Audit Committee meeting for considering any RPT, such matter shall be recommended to the Board for its consideration. Further

in the event of non-presence of the dis-interested quorum in the Board for considering any RPT, such matter shall be recommended to the Shareholders for their consideration.

- The Board shall ensure that the Related Party Transactions should be approved and conducted in a manner that ensures proper management of conflict of interest and protection of the interest of the Company and its policyholders.

Internal Due Diligence and Controls

- Ensure transactions are backed by appropriate agreement/ arrangement.
- Benchmark cost of proposed service/ goods with existing third-party service provider's cost. For example:
 - Consultancy Services: To be compared with existing Max Life's third party consultant's cost (basis experience, qualifications etc.) to ensure that transaction is at Arm's Length pricing.
 - Guest House Expenses: To be compared with hotel cost of similar category.
 - Life Insurance premium: Approved product and pricing by IRDAI.
- Take comparative quotes from third party vendors in the open market for the proposed services /goods and compare the quotes along with operational easiness with the quotes received from Related Party.
- Ensure that the basis of allocation in case of reimbursement cost/ expense are backed by proper justification/ rationale along with supporting documents
- In case, internal benchmarking is not conclusive, following steps may be taken:
 - Cost to be compared with available precedent in the industry, financial sector etc.
 - Independent Consultant's view
 - Benchmarking report by independent consultant
- Legal shall review and provide sign-off for the contract/ agreement of the RPT/Group entities.
- In concurrence with Secretarial, Finance will take approval from Audit Committee for the Related Party Transactions. Provided that, notwithstanding anything contrary in the Policy, for the transaction(s) with Group Companies, Audit Committee/ Board approval/ noting may exceptionally be taken basis the criticality of the transaction.
- In case any RPT requires the approval from the Board/ Shareholders as per prescribed limits and prevailing laws, Secretarial shall take necessary steps for obtaining such approval.
- In case of any approval or subsequent modification of transactions with Related Party (ies), it shall also be approved by the Audit Committee in terms of section 177(4)(iv) of the Companies Act, 2013.

- Upon receipt of approval under clause (e), Secretarial shall communicate approval to Finance and other relevant stakeholders. The originator shall execute the agreement with the concurrence of Legal.
- Payout of Related Party Transactions: Finance shall maintain the latest Related Parties list shared by the Secretarial and ensure that pay-out to such parties are within approved limits and agreement/ underlying documents are received.

Policy Review: Policy will be reviewed jointly by Secretarial and Finance, at least on an annual basis and shall be placed for approval of the Board on the recommendation of the Audit Committee.

Reporting/ Disclosure of Related Party Transactions

— Finance shall disclose relevant details of the Related Party Transactions in the annual report/ annual accounts/ quarterly financial statements/ public disclosures of the Company as required under applicable laws.

a) Appropriate disclosures shall be made in the Annual accounts in respect of payments made to Group ~~companies/entities~~ out of ~~Policyholder's-policyholder's~~ fund ~~alongside the~~ as a part of the disclosures on Related Party Transactions as per regulatory requirements/the Corporate Governance Regulations.

a)b) Finance shall notify the actual amount spent on RPT during the financial year to the Audit Committee on an annual basis.

b)c) As a part of good governance, the details of the income generated through investments made in the securities of the Related Party (ies) directly or via secondary market (stock exchanges), shall be notified to the Audit Committee on an annual basis.

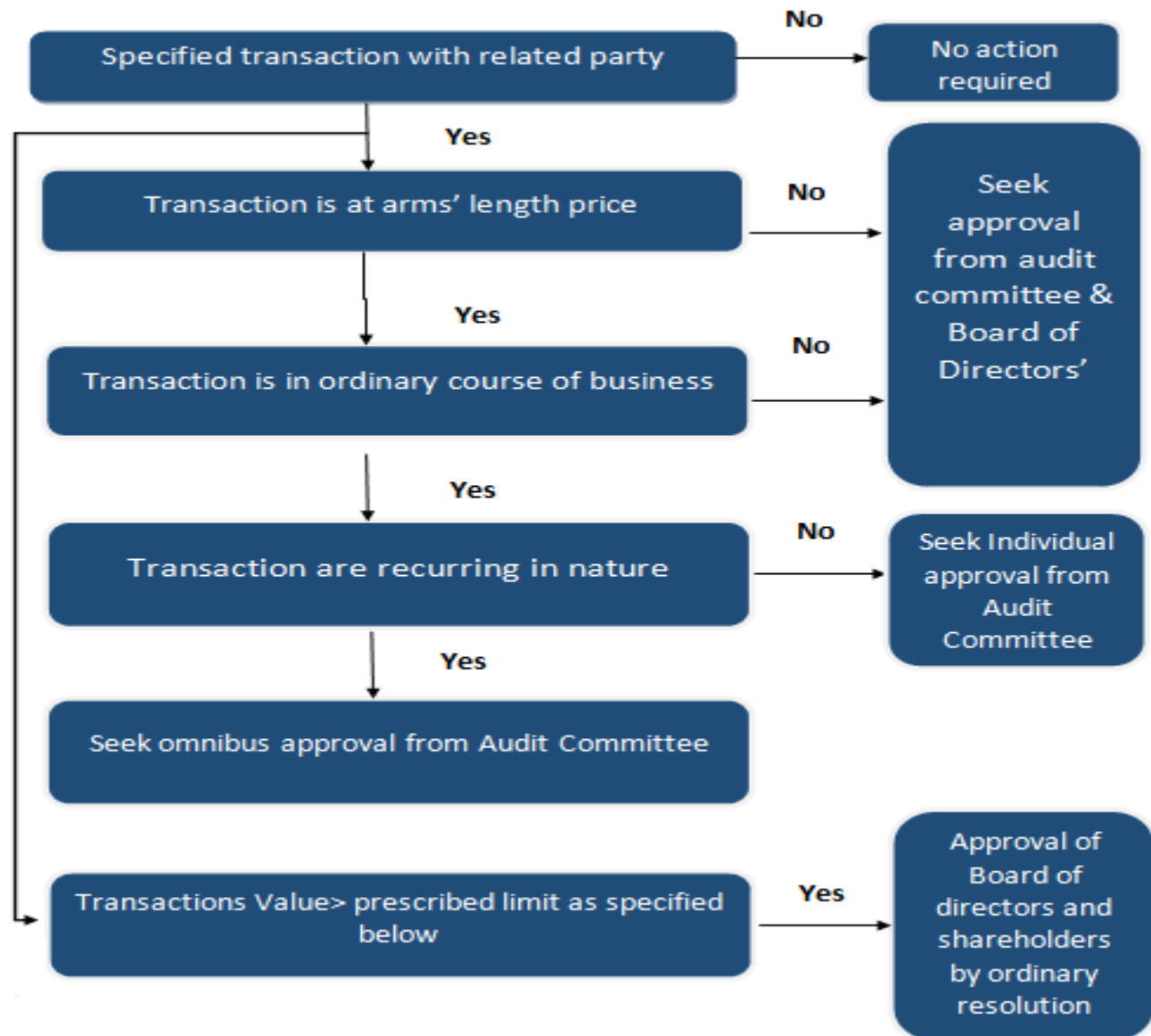
e)d) Debt investment transactions executed with the related parties in the secondary market, shall be notified to Audit Committee on periodic basis.

e)e) _____ Secretarial shall ensure the following disclosures of Related Party Transactions:

- **Disclosure in Director's Report and Annual Return** – Subject to the provisions of the Companies Act:
 - Relevant details in the prescribed form AOC-2 regarding the Related Party Transactions in the financial year shall be disclosed in the Annual Board Report.
 - Relevant details of the Related Party Transactions to be disclosed in the Annual Return of the Company as prescribed under Form MGT-7.

- **Disclosure to the Board** - The agenda of the Board meeting at which a contract/ arrangement with a Related Party is proposed to be approved shall contain the necessary details of such contract/ arrangement.
- **Disclosure to the shareholders** - Disclosure of prescribed details of proposed Related Party Transaction(s) shall be made in the explanatory statement annexed to the notice for convening general meeting at which such Related Party Transaction is proposed to be considered.

V. Audit Committee/ Board/ Shareholder Approval Guidelines



Note:

- Basis above framework, prior approval of shareholders by ordinary resolution AND consent of Board of Directors would be required where the Related Party Transaction(s) are to be entered into as contracts or arrangements, with criteria as mentioned below -

- (i) Sale, purchase or supply of any goods or materials, directly or through appointment of agent, amounting to ten per cent or more of the Turnover of the Company;
- (ii) Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten per cent or more of net worth of the Company;
- (iii) Leasing of property of any kind amounting to ten per cent or more of Turnover of the company;
- (iv) Availing or rendering of any services, directly or through appointment of agent, amounting to ten per cent or more of the Turnover of the company,

It is hereby clarified that the limits specified in sub-clause (i) to (iv) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year

- (v) If the transaction(s) is for appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and half lakh rupees
- (vi) If the transaction(s) is for remuneration for underwriting the subscription of any securities or derivatives thereof, of the company exceeding one per cent of the net worth

Explanation- a) The Turnover or net worth referred in the above shall be computed on the basis of the Audited Financial Statement of the preceding Financial Year.

Provided that, where any contract or arrangement for RPT is entered into by the Company, without obtaining the consent of the Board or approval by Shareholders in the general meeting, it may be ratified by the Board or, as the case may be, by the Shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

The requirement of passing the resolution of the shareholders shall not be applicable for RPT entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders of the Company at the general meeting for approval.

Appropriate approval(s) from the shareholders/ Board/ Audit Committee of Max Financial Services Limited shall be sought for a material related party transactions entered by the Company and its related party under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable. Explanation – The definition of the terms used shall be taken from the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI. Responsibilities:

To ensure effective compliance, various responsibilities have been defined across the different functions as follows: -

Secretarial shall be responsible for:

- Identification of the list of related parties and sharing the same with the relevant stakeholders including Finance, Legal and Procurement on quarterly basis.
- Seeking relevant approvals from Board and Shareholders wherever it is applicable.
- Updating the relevant stakeholders of any new regulatory requirements in a timely manner related to Related Party Transaction under the Companies Act, as may be required from time to time.
- Vet the transaction on the basis of Annexure I as received and validate the same for compliance with the Companies Act, 2013 and send the same to Legal for the review of transaction/ contract in view of compliance with general laws, Insurance Act and Outsourcing Guidelines.
- Ensure that any Interested Director/ Representative Director shall not be present in the meeting during discussion of the subject matter of the resolution and abstain from voting in the relevant resolutions.
- Maintenance of register of Related Parties - Maintain a register of contracts/arrangements entered into with Related Party in Form MBP-4. The register of Related Party Transactions is to be kept open for inspection at the registered office of the company during business hours.

Finance shall be responsible for:

- Presenting Related Party Transactions to the Audit Committee and seeking its approval.
- Establishing and maintaining documentation substantiating the Arm's Length Pricing of all Related Party Transactions by: -
 - a) Benchmarking of Related Party Transactions.
 - b) Review by independent consultant.
- Ensuring that all transactions with Related Parties are done with approval of Audit Committee.
- Post scrutiny of the documents and validation of arm's length price and ordinary course of business, Finance shall take approval from Audit Committee in discussions with Secretarial.

Legal/ Procurement shall be responsible for:

- Procurement shall ensure that no agreement/ arrangement with any Related Party is executed unless the same has been approved in consultation with the Finance and Secretarial.
- Legal/ Compliance shall review the agreement/ arrangement for RPT, being mindful of the general laws, Insurance Act and regulations/ guidelines etc. issued by IRDAI

Related Party Transaction originator shall be responsible to:

- Ensure appropriate identification of whether a transaction is a Related Party Transaction or not with help of the Secretarial.
- Provide all information as are indicated in this policy and required by Finance and Secretarial.
- Ensure that no Related Party Transaction is concluded before obtaining all relevant approvals stipulated under the policy and applicable laws.
- Ensure appropriate contractual documentation is in place in consultation with Legal and Finance.

The Directors/ KMP shall be responsible for:

- Providing relevant disclosures under the applicable provisions of the Companies Act and Corporate Governance ~~Guidelines~~ Regulations to Secretarial from time to time.
- Disclosing to Audit Committee/ Board regarding their interest in the proposed RPT, if any.
- Abstaining from participation and voting on the relevant resolution (if interested).

VII. Interpretation

In any circumstance where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule, regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the said law, rule, regulation or standard.

VIII Annexure I:

Max Life Insurance Company Limited

Authorized Signatory - Finance

Kind Attention: Mr. _____

Sub: Approval/ Noting for proposed transaction with Related Party/ Group Companies

Dear Sir/ Madam,

We propose to enter into a transaction with _____ (Name of the Related Parties/ Group Companies) for _____. In this regard, please find below the following:

- (i) Principle terms of the contract viz. purpose, rates, period of contract.
- (ii) Proposed date of contract _____
- (iii) Documentation in support of arm's length nature of the contract.
- (iv) Annual estimated amount _____
- (v) Whether the transaction is recurring or non-recurring in nature.
- (vi) Any advance paid or received for the contract /arrangement, if any
- (vii) Further, we would like to confirm that the proposed transaction is in the ordinary course of business or not _____. If not, please give reasons _____

You are requested to review the proposed Related Party/Group transactions and provide your go ahead on the same.

Requested by: _____

(Name, designation & signature)

Date:

Approved by: _____

(Authorized Signatory -Finance, Name & signature)

*****END OF DOCUMENT*****

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