

Related Party Transaction Policy

I. INTRODUCTION

This policy regarding the review and approval of Related Party Transactions by the Company (*as defined below*) has been adopted by the Board (*as defined below*) in order to set forth the procedures under which transactions with Related Parties (*as defined below*) must be approved.

II. DEFINITIONS

For the purposes of this policy, the following definitions apply:

- a. **Board** means the Board of directors of New Delhi Television Limited;
- b. **Company** means New Delhi Television Limited;
- c. **Material Related Party Transaction** means a transaction with a related party where the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the following thresholds:
 - In case of transactions involving payments made to a related party with respect to brand usage or royalty, exceeding 2% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.
 - In case of any other transactions, if the value of the transactions exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.
- d. **Policy** means this policy on Related Party Transactions;
- e. **Related party(ies)** means the following:

an entity shall be considered related to the Company if:

 - (i) such entity is a related party as defined under Section 2(76) of the Companies Act, 2013;
 - or
 - (ii) such entity is a related party under the applicable accounting standards; or
 - (iii) such person or entity belongs to the promoter or promoter group of the Company and holds 20% or more of shareholding in the Company
- f. **Relative**
 - (A) With reference to any person, means anyone who is related to another, if :
 1. they are members of a Hindu Undivided Family;
 2. they are husband and wife; or

(B) A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-

1. Father including step-father
2. Mother including step-mother
3. Son including step-son
4. Son's wife
5. Daughter
6. Daughter's husband
7. Brother including step-brother
8. Sister including step-sister

g. Related Party Transaction means a transaction as envisaged as a related party transaction under the Companies Act, 2013 or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) ("**LODR Regulations**").

h. 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.

III.PROCESS, PROCEDURE AND REVIEW FOR DEALING WITH RELATED PARTY TRANSACTIONS

1. Prior approval of Audit Committee is required to be taken for entering into transactions with a Related Party. The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the conditions as prescribed in the Companies Act, 2013 and the LODR Regulations.

2. Prior approval of the Board and shareholders is required to be taken before entering into Related Party Transactions which are not in the ordinary course of business and not on an arm's length basis and are beyond the limits as specified under Companies Act, 2013 and rules thereto shall require an approval of the shareholders by way of a resolution passed at the general meeting of the Company.

3. Where any director is interested in any contract or arrangement with a Related Party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

4. Prior approval of shareholders is required to be taken before entering into Material Related Party Transactions irrespective whether the transaction is in ordinary course of business or not and no Related party shall vote to approve on such resolution as per the LODR Regulations. Prior approval of the Board will also be required for all Material Related Party Transactions.

IV. Identification of potential Related Party Transactions

The potential Related Party Transaction shall be any contract or arrangement entered by the Company with a Related Party such as:

- Sale, Purchase or Supply of any goods or materials;
- Selling or otherwise disposing of, or buying property of any kind;
- Leasing of property of any kind;
- Availing or rendering of any services;
- Appointment of any agent for purchase or sale of goods, materials, services or property;
- Such Related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company; and
- Underwriting the subscription of any securities or derivatives thereof, of the Company
- Any other transaction involving transfer of resources, services or obligations between the Company and the Related Party, regardless of whether a price is charged.

The following process shall be followed for Related Party Transactions along with necessary approval as and when required under Companies Act, 2013 and the LODR Regulations:

(A) Purchase of products and services from the Related parties (other than subsidiaries/Joint Ventures)

In the case of transactions which are undertaken on the basis of contractual arrangements or are urgently required for purposes of the operations, the Audit Committee will provide approval to enter into such transactions on the basis stated below:

- (1) The Company will take multiple quotes from the vendors including the Related parties.
- (2) In the usual course, the transaction may be entered into with the Related parties if the quote of the Related party is the least and all other terms and conditions for obtaining the goods or the service are at least as favourable as those offered by any other prospective supplier.
- (3) If the quality or delivery schedule or any other terms that is a pre-requisite for the Company and only the Related party is able to offer these, the contract may be awarded to the Related party even though the price quoted may not be the lowest.
- (4) In case there is no quote received other than that of the Related parties, the management will indicate this to the Audit Committee and will seek approval on this basis.

The Company will provide a periodic update to the Audit Committee for all such transactions.

(B) Sale of products and services (other than subsidiaries/Joint Ventures)

Audit committee may give omnibus approval subject to such conditions as mentioned under the prevailing laws and the same will be valid for one year and shall require fresh approval from audit committee after the expiry of one year.

(C) Taking facilities on lease and/or renting out facilities on lease and taking / lending administrative support services for these facilities

Specific approval of the Audit Committee shall be taken for entering into leasing transactions with Related parties.

(D) Transactions with subsidiaries/Joint Ventures

The Company will provide the basis for entering into transaction with the subsidiaries/ Joint Ventures on arm's length basis. The Audit Committee will consider the principle / basis for the arm's length price and will provide its approval for entering into the transactions with the subsidiaries/JVs on that principle for all the transactions in the ordinary course of business.

V. DISCLOSURE

The particulars of contracts or arrangement with the Related parties referred in section 188(1) of the Companies Act, 2013 should be disclosed in the Directors Report in Form AOC-2 enclosed as Annexure-I.

All Material Related Party Transactions that are entered into, shall be disclosed quarterly along with the compliance report on corporate governance.

The Company shall disclose the Policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.

The Company shall submit disclosures of Related Party Transactions on a consolidated basis to the stock exchange(s) within 30 days of date of publication of its standalone and consolidated financial results for every half year.

VI. AMENDMENT

The Company reserves the right to amend or modify this Policy in whole or in part, at any point of time. The Board shall review the Policy at least once in every three years for making suitable amendments for better implementation of the Policy and the Company shall update the same on its website.

RPT Policy amended vide Board approval dated February 8, 2019.

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RELATED PARTY TRANSACTION POLICY

Note:

The provisions of the Companies Act, 2013 and rules thereto and the LODR Regulations to the extent applicable, shall be applicable in addition to this Policy.

**Annexure I
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: