



RELATED PARTY TRANSACTIONS POLICY

RAJ TELEVISION NETWORK LIMITED

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1. PREFACE

Raj Television Network Limited (herein after referred as “Raj TV” or “the Company”) is governed, amongst others, by the Companies Act, 2013 and the rules framed thereunder, as amended (“Act”), and regulations framed by Securities and Exchange Board of India (“SEBI”). The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the SEBI (LODR) Regulations, 2015”) has mandated every listed company to formulate a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions (“Policy”).

Accordingly, the Company has formulated this Policy. This Policy regulates all transactions between the Company and its Related Parties.

Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee.

2. PURPOSE / OBJECTIVE OF THE POLICY

Regulation 23(1) of the SEBI (LODR) Regulations, 2015 stipulates that the listed entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once every three years and updated accordingly.

This Policy is framed as per the requirements of Regulation 23(1) of the SEBI (LODR) Regulations, 2015 and in terms of Section 177 & 188 of the Companies Act, 2013 and is intended to ensure proper approval, disclosure and reporting requirements of transactions between the Company and its related parties. Accordingly, this Policy has been framed keeping in view particularly the requirements of the Listing Regulations and the provisions of the Companies Act, 2013.

The objective of the Policy is to govern the approval process and disclosure requirements to ensure transparency in the conduct of related party transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard. The Policy establishes the guidelines for identification, approval, governance, reporting and disclosures requirements to accord fairness in the treatment of related party transactions in the Company.

3. DEFINITIONS

“Board” means the Board of Directors of the Company.

“Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance with regulations of the SEBI (LODR) Regulations, 2015 and Companies Act, 2013.

“Key Managerial Personnel” means key managerial personnel as defined under the Companies Act, 2013.

“Related Party” means, a person or an entity:

- i. which is a related party under Section 2(76) of the Companies Act, 2013, as amended from time to time; or
- ii. which is a related party under the applicable Indian Accounting Standards; or
- iii. which is a related party under Regulation 2(1)(zb) of the Listing Regulations.

Provided that:

- a. any person or entity forming a part of the promoter or promoter group of the Company; or
- b. any person or any entity, holding equity shares:
 - i. of twenty per cent or more; or
 - ii. of ten per cent or more, with effect from April 1, 2023;

in the Company either directly or on a beneficial interest basis as provided under Section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party.

“Related Party Transaction” means any transaction as defined in Regulation 2(1)(zc) and Section 188(1) of the Companies Act, 2013, for transfer of resources, services or obligations between:

- (i) the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or
- (ii) the Company or any of its subsidiaries 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 subsidiaries, with effect from April 1, 2023,

Regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract.

- a. Further, in terms of Section 188(1) of the Companies Act, 2013, the following transaction(s) between the Company and any Related Party, shall be related party transactions: –
- b. Sale, purchase or supply of any goods or materials directly or through appointment of agent;
- c. Selling or otherwise disposing of, or buying property of any kind directly or through appointment of agent;
- d. Leasing of property of any kind;
- e. Availing or rendering of any services directly or through appointment of agent;
- f. Related Party's appointment to any Office or Place of Profit in the Company, its subsidiary company or associate Company;
- g. Underwriting the subscription of any securities or derivatives thereof, of the Company.

(The above is an indicative list and not an exhaustive one)

Provided that the following shall not be a related party transaction:

- a. the issue of specified securities on a preferential basis, subject to compliance of 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/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. acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the SEBI;
- d. [*acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time In Both Fixed deposits and current account deposits, the acceptance of deposits includes payment of interest.
- e. retail purchases from any listed entity by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors]

“Material Related Party Transaction” would mean the following:

- 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 rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower;
- B. a 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 (5%) percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity

“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.

“Material modification” means a subsequent modification of transaction with a related party which is already approved as per this Policy, shall be considered as material, if the transaction(s) to be modified is having an upward variation of twenty percent or more in the already approved value as sanctioned by the Audit Committee/Board/Shareholders, as the case may be, during a financial year.

“Ordinary course of business” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities, there is a historical practice and pattern of frequency (not an isolated transaction) and includes all such activities which the Company can undertake as enunciated in the memorandum and the articles of association, including, but not limited to sale or purchase of goods, property or services, leases, transfers, providing of guarantees or collaterals, in the normal routine in managing trade or business and is permitted by the objects clause of the memorandum and the articles of association of the Company.

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.

4. IDENTIFICATION OF RELATED PARTIES AND THE RELATED PARTY TRANSACTIONS

Every promoter, director and key managerial personnel (KMP) of the Company and its subsidiaries/ Joint venture shall,

- a. at the time of appointment;
- b. periodically – as required by the Company or applicable law;
- c. whenever there is any change in the information already submitted,

provide requisite information about his / her Relatives and all firms, companies, body corporates, or other association of individuals, in which such promoter, director or KMP is interested, whether directly or indirectly, to the Company or the subsidiary/ Joint venture (as the case may be). Every such promoter, director and KMP shall also provide any additional information about the transaction that the Board / Audit Committee may reasonably request.

5. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

Approval of Related Party Transactions

A. Audit Committee

All the transactions which are identified as Related Party Transactions and modifications thereof, shall be approved by the Audit Committee in the manner specified under the Listing Regulations. The Audit Committee shall consider all relevant factors while deliberating the Related Party Transactions for its approval.

Any member of the Audit Committee who has a potential interest in any Related Party Transaction shall recuse himself and abstain from discussion and voting on the approval of the Related Party transaction. A Related Party Transaction which is (i) not in the ordinary course of business, or (ii) not at arm's length basis, would require approval of the Board or of shareholders, as detailed in subsequent paragraphs.

The Audit Committee may grant omnibus approval for Related Party Transactions which are repetitive in nature and subject to such criteria / conditions as mentioned under the Act and the Listing Regulations and such other conditions as it may consider necessary in line with this Policy and in the interest of the Company.

The Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions and Material modifications thereof, entered into by the Company pursuant to the omnibus approval. Certain procedural aspects concerning review of a Related Party Transaction may be modified or waived by the Committee, at its discretion.

Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

A Related Party Transaction entered into by the Company, which is not under the omnibus approval or otherwise pre-approved by the Audit Committee, will be placed before the Audit Committee for consideration, and ratification, if appropriate.

The Audit Committee shall also pre-approve Related Party Transactions, where the Company is not a party, but the Company's subsidiary is a party, if the value of such transaction crosses the thresholds as prescribed under the Listing Regulations.

B. Board of Directors

In case any Related Party Transactions are referred by the Company to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length basis, the Board will *inter alia* consider factors such as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction and any other information the Board may deem important/relevant for taking decision on a proposed transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

C. Shareholders

If a Related Party Transaction is (i) a material transaction as per Regulation 23 of the Listing Regulations, or (ii) not in the ordinary course of business, or not at arm's length basis and exceeds certain thresholds prescribed under the Act, then such Related Party Transaction and any subsequent Material modification thereto, shall require shareholders' approval by a resolution. In such case, any member of the Company who is a Related Party, irrespective of being related to the said transaction or not, shall not vote on resolution passed for approving such Related Party Transaction.

The provisions of Regulation 23(2), (3) and (4) of the Listing Regulations shall not be applicable in case of transactions entered into between a holding company and its wholly owned subsidiary and between two wholly owned subsidiaries, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

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 seek post facto approval from the Audit Committee, the Board and/or shareholders as per applicable laws/ regulations.

Reporting of Related Party Transactions

Every contract or arrangement, which is required to be approved by the Board or the shareholders under this Policy, shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.

The details of all transactions with Related Parties shall be submitted, in the prescribed format to the stock exchanges, and requisite disclosures shall be made in other public documents/certificates as legally required, in the manner and as per the timelines set out in the Listing Regulations and the same shall be published on the Company's website.

6. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

The members of the Audit Committee, who are independent directors, may ratify the related party transactions within 3 months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier. Ratification is subject to certain conditions as specified in the Listing Regulations.

The failure to seek ratification of the audit committee shall render related party transactions voidable at the option of the audit committee and if the transaction is with a related party to any director or is authorized by any director, the director(s) concerned shall indemnify the Company against any losses incurred.

7. LIMITATION, REVIEW AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Act or the Listing Regulations or any other legal requirement ("**Applicable Law**"), the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy. The Board may review this Policy periodically (and at least once every three years) and make amendments from time to time, as may be deemed necessary (including based on recommendation(s) of the Audit Committee).
