



QUINT DIGITAL LIMITED
(FORMERLY KNOWN AS QUINT DIGITAL MEDIA LIMITED)

RELATED PARTY TRANSACTION POLICY

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1. INTRODUCTION

Quint Digital Limited (“the Quint”) recognizes that related party transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stakeholders' best interests. The Board of Directors (the “Board”) of the Quint has adopted the following policy and procedures (“Policy”) regarding Related Party Transaction(s) (RPTs) as detailed below.

2. SCOPE & PURPOSE

The Quint is governed, amongst others, by the rules and regulations framed by Securities Exchange Board of India (“SEBI”). SEBI has mandated for every listed company formation of policy on materiality of Related Party Transactions and also for dealing with Related Party Transactions.

Accordingly, the Company has formulated this policy on materiality of Related Party Transactions and on dealing with Related Party Transactions. This Policy regulates all transactions between the Company and its Related Parties (as defined below).

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 ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Notwithstanding the above, 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 percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The Board of Directors of the Company (“Board”) on recommendation of the Audit Committee of the Company (“Audit Committee”) shall review the Policy once in three years and may amend the same from time to time.

3. DEFINITIONS

- a. **“Arm 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.
- b. **“Audit Committee”** means Audit Committee of the Board of Directors of the Company constituted under provisions of Listing Regulation and Companies Act, 2013.
- c. **“Board”** means the Board of Directors of the Company.
- d. **“Company”** means Quint Digital Limited.

- e. **“Key Managerial Personnel” or “KMP”** means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.
- f. **“Material Related Party Transaction”** means the following:
 - (i) a transaction with a related party 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.
 - (ii) 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 percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
- g. **“Ordinary Course of Business”** means transactions that are necessary, normal and incidental to the business, the objects of the Company permit such activity, there is a historical practice and pattern of frequency (not an isolated transaction), has connection with the normal business carried on by the Company.
- h. **“Policy”** means Related Party Transaction Policy of the Company.
- i. **“Related Party”** means, a person or an entity:
 - (i) which is a related party under Section 2(76) of the Companies Act, 2013 or Regulation 2(1)(zb) of Listing Regulations; or
 - (ii) which is a related party under the applicable accounting standards.
- j. **“Related Party Transaction”** means transaction:
 - (i) in the nature of contract involving transfer of resources, services or obligations between the Company and the Related Party, specifically including transactions under section 177 and section 188 of the Companies Act, 2013, regardless of whether a price is charged; or
 - (ii) which is a related party under Regulation 2(1)(zc) of Listing Regulations.
- k. **“Relative”** means relative as defined under sub-section (77) of section 2 of the Companies Act, 2013 and rules prescribed there under.
- l. **“Subsequent Material Modification”** with respect to approved related party transaction shall mean and include:
 - a) Material Modification in the pricing criteria as agreed at the time of approval of the related party transaction;
 - b) Material Change in the nature of transaction;

- c) Such other material modification as may be approved by the Audit Committee from time to time

Whereas the word "Material" means any modification/ change (individual and taken together with the previous modification/ change) in the transaction which exceeds ten percent of the annual turnover of the Company as per audited financial statement of the immediately preceding financial year.

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such term in:

- (i) the Companies Act, 2013 and the Rules thereunder (includes any amendment thereof);
- (ii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time;
- (iii) Securities Contracts (Regulation) Act, 1956;
- (iv) Securities and Exchange Board of India Act, 1992;
- (v) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018;
- (vi) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (vii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

4. IDENTIFICATION OF RELATED PARTY TRANSACTIONS

Each Related Party shall promptly notify of any interest that such person or relative of such person had, has or may have in a RPT, by providing notice to the Board or Audit Committee of any potential RPT involving them or their Relative together with additional information about the RPT that the Board or Audit Committee reasonably request.

The Company prefers that notice of any RPT is given well in advance, so that the Audit Committee/ the Board has adequate time to obtain and review information about the proposed RPT.

The Board / Audit Committee shall determine whether a transaction does, in fact, constitute a RPT requiring compliance with this Policy.

5. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

Approval of Related Party Transactions:

A. Audit Committee

- All Related Party Transactions and any subsequent material modification thereto will require prior approval of the Audit Committee. Non-Independent Directors in the Audit Committee may participate in the discussions, however, only Independent Directors of the Audit Committee can approve the Related Party Transactions.
- A related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the listed entity.
- Prior approval of the audit committee of the listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.
- Any member of the Audit Committee who has a potential interest in any Related Party Transaction will 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 price, would require approval of the Board or of shareholders as discussed subsequently.
- 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 Regulation 23(3) of the Listing Regulations and such other conditions as it may consider necessary in line with this Policy and in the interest of the Company. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.
- The Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to the omnibus approval. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.
- 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 ratification.

- Notwithstanding the foregoing following Related Party Transactions shall not require approval of Audit Committee or shareholders:
 - (i) Any transaction that involves the providing of compensation to a director or KMP in connection with his or her duties to the Company or any of its subsidiaries or associates including the reimbursement of reasonable business and travel expenses incurred in the Ordinary Course of Business.
 - (ii) 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 pro rata as the Related Party.

B. Board of Directors

- In case any Related Party Transactions including subsequent material modification 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 price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such 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 including subsequent material modification as per Regulation 23 of the Listing Regulations, or (ii) not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Companies Act, 2013, it shall require shareholders' approval by a resolution. In such a case, any member of the Company who is a Related Party, shall not vote on resolution passed for approving such Related Party Transaction.
- Provided that prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the listed subsidiary is a party but the listed entity is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of these regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice."

- D. The provisions of Regulation 23(2), (3) and (4) shall not be applicable in case of transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- E. In the event the Company becomes aware of a Related Party Transaction with a Related Party 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 as required under applicable laws/ regulations. In case the Company is not able to take such prior approval from the Audit Committee, the Board and/or shareholders, such a transaction shall not be deemed to violate this Policy, or be invalid or unenforceable, so long as post facto approval is obtained as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by this policy.

F. Materiality Thresholds

Regulation 23 of Listing Regulations requires the Company to provide clear threshold limits duly approved by the Board of Directors for related party transactions.

Materiality Thresholds for related party transactions:

The RPTs which crosses the Materiality thresholds as mentioned below shall be entered by the Company only with prior approval of shareholders of the Company through resolution, as per applicable provisions of the Act and the Listing Regulations, as may be amended from time to time.

- The Company has fixed its materiality threshold at 10% of the annual consolidated turnover of the Company as per last audited financial statements of the company for the purpose of Regulation 23 (4) of SEBI (LODR) Regulations, 2015.
- Any other Related Party Transaction shall be placed before the Shareholders for approval, as per the threshold limits mentioned and in terms of the provisions of Section 188 of the Companies Act, 2013 read with relevant Rules.

6. LIMITATION AND AMENDMENTS

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

7. DISCLOSURES

- In compliance with applicable provisions of the Companies Act, 2013, the Board Report of the Company shall include particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, if any, in the prescribed form (i.e. Form AOC-2);
- Details of all material transactions including subsequent material modification with Related Parties shall be disclosed quarterly as part of the Report on Corporate Governance of the Company.

The details of all transactions with related parties shall be submitted on a consolidated basis, in the format specified by the SEBI, half yearly to the stock exchanges.

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

DATES OF REVIEW/AMENDMENT

S.No.	Date of review/amendment
1.	April 14, 2021
2.	May 30, 2022
3.	May 30, 2023