Shemaroo Entertainment Limited

Policy on dealing with Related Party Transactions

(Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015)

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1. PREAMBLE:

Shemaroo Entertainment Limited believes in adhering to highest ethical standards, transparency and accountability in conduct of its business and recognizes the fact that certain relationships can present potential or actual conflicts of interest which may raise questions about whether transactions associated with such relationships are consistent with Company's and its stakeholders' best interests.

In order to strive towards achieving highest standards of corporate ethics & transparency and adhering to an appropriate governance framework, the Company ensures that such Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements to which the Company is subject.

The Board of Directors (the "Board") of Shemaroo Entertainment Limited (the "Company" / "Shemaroo") has reviewed and modified in its Board meeting dated January 24, 2022 and November 5, 2025 and approved Policy on dealing with Related Party Transactions (the "Policy") in accordance with the provisions of Section 188 of the Companies Act, 2013 and rules there-under, as amended from time to time and read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the "Listing Regulations")which sets out a framework for identification of related parties, approval of Related Party Transactions and the proper conduct and documentation of all Related Party Transactions. This Policy as framed and implemented by the Audit Committee has been modified in lines with the latest applicable legal provisions as may be applicable.

2. OBJECTIVE:

The Company through this Policy endeavors to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable on the Company and also lay down mechanism for identification, approval, review and reporting of such transactions.

3. DEFINITIONS:

a. **"Act"** means Companies Act, 2013 and the Rules framed there under including any statutory modifications or re-enactments thereof.

b. **"Arm's length transaction ('ALP')"** means transaction carried out between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest. For determining Arm's Length basis, guidance may be taken from the transfer pricing provisions under the Income Tax Act, 1961.

c. **"Audit Committee"** means the Committee of Board constituted from time to time under the provisions of Clause 18 of the Listing Regulations and Section 177 of the Companies Act. 2013.

d. **"Associate Company"** means any other company, in which the Company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company.

Explanation – For the purpose of this clause, "significant influence" means Control of at-least twenty percent of total share capital or of business decisions under an agreement.

e. **"Board of Directors" or "Board",** in relation to a Company, means the collective body of the directors of the company constituted from time to time under the provisions of Companies Act, 2013.

f. **"Company"** means Shemaroo Entertainment Limited.

g. **"Control"** shall have the same meaning as defined under the Companies Act, 2013 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011, in the context as may be mentioned.

h. "**Industry Standard**" shall mean the Industry Standards on "Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)" as notified by SEBI vide its circular dated February 14, 2025.

i. **"Key Managerial Personnel"**, in relation to a company, means as defined in Section 2(51) of the Companies Act, 2013.

j. **"Material Related Party Transaction"** 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 percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company whichever is lower.

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, exceeds five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

i.a "Material Modifications" In relation to a Related Party Transaction approved by the Audit Committee or a material related party transaction approved by the Shareholders, as the case may be, material modifications means any variation having an impact on the monetary limits already approved by the Audit Committee or Shareholders, as the case may be, exceeding 25% of transactions, in each case, over and above the approved limits.

k. **"Regulations"** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

l. **"Related Party"** means a person or an entity:

a. which is related party under section 2(76) of the Companies Act 2013; or
b. which is a related party under the applicable accounting standards or Ind AS; or
c. forming part of the promoter or promoter group of the listed entity; or
d. holding equity shares in the listed entity as below either directly or on a beneficial interest basis at any time during the immediately preceding financial year:

- to the extent 20% or more

to the extent 10% or more

m. **"Related Party Transaction" ("RPT")** means a transfer of resources, services or obligations between the Company and related party, regardless of whether a price is charged. :
   - 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;
   - 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 subsidiary

n. **"Relative"** means relative as defined by Section 2(77) of the Companies Act, 2013 and rules prescribed there-under.

o. **"Transaction"** with a related party shall be construed to include a single transaction or a group of transactions.

p. Any other term not defined herein shall have the same meaning as defined in the Act, the SEBI Listing Regulations or any other applicable law or regulation, each as amended.

4. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS:

I. Identification / Updating of Related Party:

A. Identification of Related Party:

Every Director and Key Managerial Personnel will be responsible for providing a declaration in the format as per Annexure 1 containing the following information to the Board / Audit Committee on an annual basis:

1. Names of his / her Relatives;
2. Partnership firms in which he / she or his / her Relative is a partner;
3. Private Companies in which he / she or his / her Relative is a member or Director;
4. Public Companies in which he / she is a Director and holds along with his/her Relatives more than 2% of paid up share capital;

B. Updating of Related Party

Every Director and the Key Managerial Personnel will also be responsible to update the Board / Audit Committee of any changes in the above relationships, directorships, holdings, interests and / or controls immediately on happening of event or him / her becoming aware of such changes, whichever is earlier.

The database will be updated whenever necessary and will be reviewed at least once a year jointly by the Company Secretary and Chief Financial Officer/Vice President Accounts & Finance.

C. Responsibilities of Company Secretary:

The Company Secretary shall be responsible to maintain an updated database of information pertaining to Related Parties reflecting details of –

1. All Directors and Key Managerial Personnel;
2. All individuals, partnership firms, companies and other persons as declared and updated by Directors and Key Managerial Personnel;
3. Company's holding company, subsidiary companies and associate companies;
4. Subsidiaries of holding company;
5. Director or Key Managerial Personnel of the holding company or their Relatives;
6. All Shemaroo Group entities; and
7. Any other entity which is a Related Party as defined under Section 2(76) of the Companies Act, 2013 read with the relevant Listing Regulations or the relevant Accounting Standard/IND AS.

II. Identification of Related Party Transactions:

Every Director, Key Managerial Personnel is responsible for providing Notice to the Board or Audit Committee of any potential Related Party Transaction involving him/her or his/her relative, including any additional information about the transaction that the Board or Audit Committee may request. The Board shall record the disclosure of Interest and the Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The Notice relating to disclosure of potential Related Party Transaction shall be received in well advance so that the Audit Committee has adequate time to obtain and review information about the proposed transaction.

III. Approval process for Related Party Transaction :

➢ Approval of Audit Committee:

- All Related Party Transactions ('RPTs") and subsequent material modifications thereof will be subject to the prior approval of the Audit Committee.

  i. All Related Party Transactions of a subsidiary(ies) and subsequent material modifications, to which the Company is not a party shall require prior approval of Audit Committee, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual standalone turnover, as per the last audited financial statements of the subsidiary.

  ii. Company shall consider the guidelines of Industry standard, being issued time to time for the minimum information to be placed before the Committee.

iii. Members of the audit committee, who are Independent Directors, shall only prior approve all the RPTs.

- *Omnibus Approval:*

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company or its subsidiary, the Committee may grant standing pre –approval / omnibus approval. While granting the approval for related party transactions proposed to be entered into by the Company or its subsidiary, the Audit Committee will satisfy itself of the need for the omnibus approval and that same is in the interest of the Company or its subsidiary.

The omnibus approval shall specify the following:

- ✓ Name(s) of the related party, Nature of the transaction, Period of the transaction
- ✓ Maximum amount of the transactions that can be entered into
- ✓ Indicative base price / current contracted price and formula for variation in price, if any
- ✓ Such other conditions as the Audit Committee may deem fit.
- ✓ Any other information as may be required to be furnished as per applicable laws

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction unless material terms of the contract or arrangement have been varied / amended. Any proposed variations / amendments to these factors will require a prior approval of the Committee. Omnibus approval shall not be made for transactions relating to disposing of the undertaking of the Company.

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction. The details of such transaction will be reported at the next meeting of the Audit Committee for ratification.

Audit Committee shall review, at-least on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given. The omnibus approval shall be valid for a period of one year and shall require fresh approvals after the expiry of one year.

- Approval of the Board of Directors:

Transactions with the related parties which are not in ordinary course of business and/or not at arm's length price but whose value is within the thresholds limits as prescribed in the Section 188 of the Act read with rules made there under shall along with the approval of Audit Committee also require approval of the Board.

- Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the Policy determined by the Board from time to time (i.e., value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;

- Transactions meeting the materiality thresholds which are intended to be placed before the shareholders for approval.

➢ Shareholders' Approval

- All the 'Material Related Party Transaction' and subsequent Material Modifications shall require approval of shareholders through ordinary resolution and the No Related Parties shall approve vote on such resolutions irrespective of whether the entity is a related party to the particular transaction or not.

- Transactions, other than Material Related Party Transaction, with the Related Parties which are (a) not in ordinary course of business or arm's length; and (b) exceeds thresholds laid down in Section 188 read with Companies (Meetings of Board and its Powers) Rules, 2014, (c) exceeds thresholds laid down in Regulation 23 of SEBI l(Listing Obligation and Disclosure Requirement) read with Industry standard , shall also require shareholders' approval through ordinary resolution and the Related Parties shall not vote to approve the relevant transactions.

- Company shall consider the guidelines of Industry standard, being issued time to time for the minimum information to be placed before the shareholders of the Company.
  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 the applicable laws, shall also require prior approval of shareholders of the Company by way of Ordinary Resolution and all those 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 the Companies Act, 2013 and/or the SEBI Listing Regulations read with industry standard, from time to time shall be provided in the Notice to the shareholders for consideration of RPTs.]

Provided that the transactions entered into between a holding company and its wholly owned subsidiary; between two wholly owned subsidiaries, whose accounts are consolidated with such holding company and placed before the shareholders general meeting for approval, shall not require shareholders' approval.

➢ Related Party Transactions not previously approved:

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation the matter shall be placed as promptly as practicable before the Audit Committee. The Audit Committee shall consider all relevant facts and circumstances respecting such transaction and will evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction, and the Company will take such action as the Committee deems appropriate under the circumstances.

5. DISCLOSURES:

a. The Company shall disclose, in the Board's report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or not at arm's length basis along with the justification for entering into such transaction.

b. The Company shall place all the information, as specified in Industry Standards read with the provisions of SEBI Listing Regulations, Companies Act, 2013 as well as additional information specified by SEBI from time to time, for review of the Audit Committee while seeking prior approval of the RPTs.

c. The Company shall place all the information, as specified in Industry Standards read with the provisions of SEBI Listing Regulations, Companies Act, 2013 as well as additional information specified by SEBI from time to time, in the Statement to the notice being sent to shareholders seeking their approval for proposed RPTs as applicable.

d. The Company shall submit enhanced disclosure of information related to RPTs to be provided to the stock exchanges every six months on the date of publication of its standalone and consolidated financial results,. also publish the same on its website.

e. The Company, its Directors, Key Managerial Personnel (KMPs), and Officials shall ensure strict compliance with all disclosure requirements under the Companies Act, Listing Regulations, and IND AS 24 regarding related party transactions.

f. All newly appointed Directors and Officials must disclose their interests in companies, firms, or associations of individuals at their first Board meeting and thereafter annually, as required under Section 184 of the Companies Act. Further, every Director, Official, or KMP shall, within 30 days of appointment or cessation, disclose their concern or interest (including shareholding) in any company, body corporate, firm, or individual, along with any contracts or arrangements where they have direct or indirect interest, in accordance with Sections 184 and 189 of the Act.

g. Any Director or Official who, individually or jointly, holds more than 2% shareholding in any company or body corporate, or holds more than 20% of voting power, or is a promoter, manager, or chief operating officer in such entity, shall promptly disclose any proposed contract or arrangement with such entity to the Company.

h. Additionally, any Director, Official, or KMP shall immediately notify the Company of any material interest that they or their relatives have, had, or may have in any related party transaction, including details and the aggregate transaction amount.

e. Disclosures in relation to related party transactions shall be made in the financial statements of the Company. [Section 188(2) of the Act and IND AS 24].

This Policy will be uploaded on the website of the Company at http://www.shemarooent.com and a web-link to the Policy shall be provided in the Annual Report of the Company.

6. REVIEW:

This Policy will be reviewed as and when required but at least once in three years.

7. GENERAL:

- Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act/Rules/Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and/or amended to that extent, even if not incorporated in this Policy.

- In the event of any conflict between the provisions of the Listing Regulation / Companies Act, 2013, or in case of any omission of any of the provisions of the Listing Regulation / Companies Act, 2013, the provisions of the Listing Regulation / Companies Act, 2013, as amended shall prevail or be applicable, as the case may be.

- Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

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Annexure 1

Notice of interest by Director / Key Managerial Personnel
[Pursuant to section 184 (1) of Companies Act 2013 and rule 9(1)]

The Board of Directors,
Shemaroo Entertainment Limited,
CIN: L67190MH2005PLC158288,
Shemaroo House, Plot No.18,
Marol Co-op. Industrial Estate,
Off. Andheri-Kurla Road,
Andheri (E), Mumbai-400059.

Dear Sirs,

I, ……………, S/o …………… R/o ………………………………, holding (DIN / PAN ....), being a **…………………….**, in **Shemaroo Entertainment Limited ("Company")** holding .... **Equity Shares** of Rs. 10/- each (…… percent of the paid-up capital) hereby give notice of my interest or concern in the following company or companies, bodies corporate, firms or other association of individuals:-

Sl.	Name of Companies/Bodies corporate/Firms/Association of individuals	Nature of interest or concern	Share holding	Date on which Interest or concern arose/changed

Signature: ………………….
Name: ………………………
DIN / PAN: ………………..

Place:
Date:

LIST OF RELATIVES

Sr. No.	Relationship	Name of Relative
1.	Spouse	
2.	Members of HUF	
3.	Father (Provided that the term "Father" includes step-father)	
4.	Mother (Provided that the term "Mother" includes the step-mother)	
5.	Son (Provided that the term "Son" includes the step-son)	
6.	Son's wife	
7.	Daughter	
8.	Daughter's husband	
9.	Brother (Provided that the term "Brother" includes the step-brother)	
10.	Sister (Provided that the term "Sister" includes the step-sister)	