RELATED PARTY TRANSACTIONS POLICY

1. Preamble

The Company is committed to upholding the highest ethical and legal conduct in fulfilling its responsibilities and recognizes that related party transactions can present a risk of actual or apparent conflicts of interest of the Directors, Senior Management etc. with the interest of the Company.

In compliance with the requirements of Section 188 of the Companies Act 2013 and Rules made there under and any subsequent amendments thereto (the "Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), in order to ensure the transparency and procedural fairness of such transactions, the Board of Directors (the "Board") of The **IDream Film Infrastructure Company Limited (the "Company**"), acting upon the recommendation of its Directors has adopted the following policy and procedures with regard to Related Party Transactions as defined below. The Audit Committee would review and may recommend amendments to this policy to the Board. The Board may amend this policy from time-to-time.

This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations applicable to the Company.

2. Objective

The primary objective of this policy is to determine the materiality of Related Party Transactions and to ensure due compliance by the Company with all applicable regulations contained in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Definitions

"**Audit Committee or Committee**" means Committee of Board of Directors of the Company constituted under provisions of Listing Regulations and Companies Act, 2013.

"**Associate Company**" in relation to another company, means a company in which that other 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.—"significant influence" means control of at least twenty percent of total share capital, or of business decisions under an agreement.

"**Total Share Capital**" means the aggregate of the paid-up Equity Share capital.

"**Board**" means Board of Directors of the Company.

"**Key Managerial Personnel**" means a key-managerial personnel as defined under the Companies Act, 2013 and includes

(i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
(ii) Company Secretary; and
(iii) Chief Financial Officer

"**Material Related Party Transaction**" means a transaction with a related party if the transaction/ transactions 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.

"**Policy**" means Related Party Transactions Policy.

"**Related Party**" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards.

"**Related Party Transaction**" means transactions/ contracts/ arrangement for Transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged and would include a single transaction or a group of transactions in a contract.

"**Transactions on arm's length basis**" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. Policy

All Related Party Transactions must be reported to the Committee and referred for approval by the Committee in accordance with this Policy.

4.1 Identification of Potential Related Party Transactions

Each director and Key Managerial Personnel is responsible for providing notice to the Board or the Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Committee may reasonably request. The Committee would determine whether the transaction done, in fact, constitute a Related Party Transaction requiring compliance with this policy.

4.2 Review and Approval Process for Related Party Transactions

As per approved terms of reference of the Committee by the Board, all Related Party Transactions shall require prior approval of the Committee or shall be ratified at the next meeting of the Committee. Any member of the Committee who has a potential interest in any Related Party Transaction shall recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction. Before approving such transactions, the Committee shall look into the interest of the Company and its Stakeholders in carrying out the Transactions and on the benefits.

To review a Related Party Transaction, the Committee shall be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, Management's justification and any other relevant matters as may be required by the Committee. In determining whether to approve a Related Party Transaction, the Committee will consider inter-alia the following factors, to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair and on arms length basis and in the ordinary course of business to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;

- Whether the Related Party Transaction would affect the independence of an independent director;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the Director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

The Committee may accordingly approve or modify and if required ratify such transactions, in accordance with this policy and/or recommend the same to the Board for approval. If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances. Any exceptions to the Policy on Related Party Transactions must be consistent with the Companies Act 2013, including the Rules promulgated there under and Regulation 23 of Listing Regulations.

4.3 Material Related Party Transactions and Others transactions not in ordinary course and not at arm/s length basis

The Independent Directors shall ensure that adequate deliberations are held before approving all Material Related Party Transactions and transactions which are not in Ordinary Course of Business and not on arm's length basis. They shall satisfy themselves that the same are in the interest of the Company and its shareholders.

All material related party transactions shall require approval of the shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Audit committee may grant omnibus approval for related party transactions in accordance with the Listing Regulations.

4.4 Related Party Transactions not approved under this Policy

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 matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee may direct additional actions including but not limited to immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy in accordance with law and applicable provisions.

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