

## POLICY ON RELATED PARTY TRANSACTIONS OF JAGRAN PRAKASHAN LIMITED (“JPL”)

### 1. PREAMBLE, SCOPE AND APPLICABILITY

The Board of Directors of Jagran Prakashan Limited (“**the Company**” or “**JPL**”) has adopted the following policy and procedures with regard to Related Party Transactions as defined below.

This policy is framed in compliance with the provisions of Regulation 23 and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Listing Regulations**”) and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) and the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, and other applicable provisions, if any; collectively referred to as the Applicable Regulatory Provisions.

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

All Related Party Transactions shall be entered into by the Company in accordance with this Policy or in accordance with the applicable provisions.

### 2. DEFINITIONS

- “**Arm’s length transaction**” has been defined to mean a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- “**Audit Committee**” means the Audit Committee of the Board constituted under provisions of the Listing Regulations and the Act .
- “**Board**” means Board of Directors of the Company.
- “**Key Managerial Personnel**” shall have the meaning as defined in section 2(51) of the Act and other applicable provisions, if any, as amended from time to time.
- “**Material Related Party Transaction**” shall have the meaning as defined in the Applicable Regulatory Provisions.

Without prejudice to the foregoing, at present, as per the explanation to Regulation 23(1) of the Listing Regulations, this term 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.

- “**Related Party**” means related party as defined in section 2(76) of the Act and Regulation 2(zb) of the Listing Regulations and any other applicable provisions as amended from time to time.

- “**Related Party Transaction(s)**” refers to those transactions that are covered under the scope of section 188 of the Act and Regulation 2(zc) of the Listing Regulations and any other applicable provisions as amended from time to time.

### **3. POLICY**

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The Company shall **not** enter into contracts or arrangements with a related party without the prior approval of the Audit Committee.

On a quarterly basis, the Audit Committee shall review transactions with related parties for omnibus approval given on the basis of the Applicable Regulatory Provisions. Omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

The Board of Directors, at its meeting held on February 01, 2019, has approved the threshold limits as provided in Annexure A of this Policy for determining the materiality.

The Company shall not, directly or indirectly, give loan(s) or give any guarantee(s) or security(ies) in connection with loan(s) to any person(s) or body(ies) corporate exceeding the prescribed limits. However, such restrictions would not apply to transactions with wholly-owned subsidiary(ies).

#### ➤ **CONTRACTS OR ARRANGEMENTS NOT IN THE ORDINARY COURSE OF BUSINESS OR AT ARM’S LENGTH BASIS**

In the event such contract or arrangement is not in the ordinary course of business or at arm’s length, the company shall comply with the provisions of the Act and the Rules framed thereunder and obtain approval of the Board or its shareholders, as applicable, for such contract or arrangement.

Contracts or arrangements approved which are not in the ordinary course of business or at arm’s length shall be disclosed in the Directors’ Report as mandated in accordance with Section 134 of the Act and other applicable provisions, if any, along with justification for entering into such contract or arrangement.

#### ➤ **MATERIAL RELATED PARTY TRANSACTIONS**

All material related party transactions will be placed for the approval of the shareholders of the Company and no related party shall vote to approve such resolutions, whether the entity is a related party to the particular transaction or not.

Transactions with wholly owned subsidiary(ies), whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval, are exempt from obtaining the approval of shareholders.

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 two percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

#### **4. DISCLOSURES**

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The Company shall maintain a register of such contracts and also disclose transactions with related parties in its Annual Report and material related party transactions in its Corporate Governance Report.

Additionally, disclosures of transactions of the Company with any person or entity belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the Company, should be in the format prescribed in the relevant accounting standards for annual results.

Further, the Company shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges where the specified securities (as defined in the Listing Regulations) of the Company are listed and publish the same on its website.

#### **5. GENERAL**

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For the purpose of this policy, all entities 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.

#### **6. REVIEW OF THE POLICY**

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This Policy shall be reviewed by the board of directors at least once every three years and updated accordingly:

*\*This Policy was approved by the Board of Directors at its Meeting held on February 01, 2019*

All Related Party Transactions will be subject to following approval matrix, as may be applicable:

Provisions	Approval Required		
	Audit Committee	Board of Directors	Shareholders (Ordinary Resolution)
Transactions in ordinary course of business and on annual arm's length basis up to 10% of annual consolidated turnover of the Company.	√		
Transactions in ordinary course of business and on annual arm's length basis in excess of 10% of annual consolidated turnover of the Company.	√	√	√
Payments made to a Related Party with respect to brand usage or royalty up to 2% of annual consolidated turnover of the Company.	√		
Payments made to a Related Party with respect to brand usage or royalty in excess of 2% of annual consolidated turnover of the Company.	√	√	√
Transactions either not in the ordinary course of business or arm's length basis			
Sale, purchase or supply of any goods or materials, directly or through appointment of agent.	√	√	*√ *Exceeding 10% of annual turnover or Rs.100 Crore whichever is lower
Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent.	√	√	*√ *Exceeding 10% of net worth or Rs.100 Crore whichever is lower
Leasing of property of any kind.	√	√	*√ *Exceeding 10% of turnover or 10% of net worth or Rs.100 Crore whichever is lower
Availing or rendering of any services, directly or through appointment of agent.	√	√	*√ *Exceeding 10% of annual turnover or

			Rs. 50 Crore whichever is lower
Appointment to any office or place of profit in the company, its subsidiary company or associate company.	√	√	*√ *Remuneration exceeds Rs. 250,000 per month
Underwriting the subscription of any securities of the company or derivatives thereof.	√	√	*√ *Remuneration exceeds 1% of net worth
* Note: In case of shareholders' approval for such transactions, related parties that are parties to the contract shall abstain from voting.			