

POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

1. PREAMBLE

The Board of Directors ("the Board") of the Company understands the importance of stakeholders' confidence and trust in the Company. Considering the requirements of Companies Act 2013 read with Rules made thereunder and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 there is a need for proper identification, conduct and documentation of the Related Party Transactions (RPT).

In order to ensure transparency in Related Party Transactions and avoidance of conflict of interest with the stakeholders, the Board of Directors, acting upon recommendation of Audit Committee of the Company ("the Committee"), has adopted the following policy and procedure with respect to Related Party Transactions of the Company.

2. APPLICABILITY

This Policy applies to transactions between the Company and one or more of its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders.

3. DEFINITIONS

3.1 "Act" means Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactments thereof.

3.2 "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. For determining Arm's Length basis, guidance may be taken from the transfer pricing provisions under the Income-tax Act, 1961.

3.3 "Audit Committee" means committee of Board of Directors of the Company.

3.4 "Board of Directors" or "Board" means the Board of Directors of the Company.

3.5 "Company" means Omnistar Entertainment.Com.

3.6 "Key Managerial Personnel" means the Key Managerial Personnel of the Company in terms of the Act.

3.7 "Listing Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.8 "Material Related Party Transaction" means a Related Party Transaction which 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. Provided that effective 1st April, 2019, 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.”

3.9 “Policy” means the current Policy on Related Party Transactions, including amendments, if any, from time to time.

3.10 “Related Party” means a related party as defined under the Act read with Regulation 2(za) of the Listing Regulations.

3.11 “Related Party Transaction” means any transaction between the Company and a Related Party for transfer of resources, services or obligations, regardless of whether a price is charged.

3.12 “Relative” means a relative as defined under the Act.

3.13 “Transaction” with a Related Party shall be construed to include single transaction or a group of transactions in a contract.

4 GUIDELINES

Procedure for approval of related party transactions

Audit Committee

Every Related Party Transaction shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolutions by circulation.

However, the Audit Committee may grant prior omnibus approval for Related Party Transactions which are repetitive in nature and are in the ordinary course of business and satisfy the Arm’s Length basis, subject to the compliance of conditions contained in Regulation 23 of the Listing Regulations.

Such omnibus approval shall specify the following:

- (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transactions that can be entered into,
- (ii) the indicative base price / current contracted price and the formula for variation in the price if any and
- (iii) such other conditions as the Audit Committee may deem fit;

Provided that where the need for Related Party Transactions cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeded Rs. 1 Crore per transaction.

Any member of the Audit Committee who has a potential conflict of interest in any Related Party Transaction will not remain present at the meeting or shall abstain from discussion and voting on the approval of such Related Party Transaction and shall not be counted in determining the presence of quorum when such Transaction is considered

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.

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

Board of Directors

If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction

Shareholders

All the Material Related Party Transactions shall require approval of the shareholders through resolution and the Related Parties shall abstain from voting on such resolutions.

All the transactions, other than the Material Related Party Transactions, with the Related Parties which are not in the ordinary course of business or at Arm's Length basis shall also require the approval of the shareholders through a resolution if so required under any law and the Related Parties with whom transaction is to be entered into shall abstain from voting on such resolution.

5. REVIEW

This Policy will be reviewed by the Board of Directors at least once every three years and updated accordingly.

6. DISCLOSURES

Details of any Material Related Party Transactions shall be disclosed to the stock exchange quarterly along with the compliance report on corporate governance. The Company shall disclose the Policy on its website and web-link shall be provided in the Annual Report.