

INDO BORAX & CHEMICALS LTD

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS

[Pursuant to Regulations 23 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

Background:

The Board had approved the policy for determining 'material' subsidiaries. Securities Exchange Board of India, vide notification dated 9th May, 2018, has notified certain amendments effective from 1st April, 2019, requiring certain changes to be made in the Policy.

Therefore in accordance with the Regulations 23 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the Company has formulated this policy for determining material subsidiary of the company in supersession of the existing policy.

Policy:

1. All Related Party Transactions (RPT's) of the Company covered under the Companies Act, 2013 and Regulations 23 of the SEBI Listing Regulations will be approved by the Audit Committee of the Board of Directors from time to time.
2. Consent of the Board and the Shareholders would be taken in respect of all RPT's except in the following cases:
 - a) Where transactions are below the threshold limits specified in the Companies Act, 2013 and Rules thereunder or the SEBI Listing Regulations, as may be applicable.
 - b) Where the transactions are entered into by the Company in its ordinary course of business and are on arms' length basis; or
 - c) Where the transactions to be entered into individually or taken together with previous transactions during the financial year do not exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.
3. Notwithstanding the above, approval of the Board and shareholders would be necessary, where the transaction(s) with a related party exceeds the following threshold limits:

Particulars	Threshold Limits (Rs. In Crores)
Sale, purchase or supply of any goods or material or securities	10.00
Selling or otherwise disposing of or buying or any property including by way of leave and license arrangements	
Availing or rendering any services	

The above policy is subject to review from time to time and at least once in every three years.

Mumbai: 29th March, 2019