

# **Inani Marbles & Industries Limited**

## **Policy of Related Party Transactions**

## **1. Introduction**

It has been made mandatory by the Clause 49 of the Listing Agreement (vide SEBI circular no. circular CIR/CFD/POLICY CELL/02/2014, dated April 17, 2014 and amend circular no CIR/CFD/POLICY CELL/07/2014 dated September 15, 2014) and section 188 of the Companies Act, 2013 requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions. This policy is drafted in line with the above mentioned requirements. The Board of Director of Inani Marbles & Industries Limited has adopted the following policy and procedure with regard to Related Party Transaction.

## **2. Applicability and Effective Date**

This policy will be applicable to the Company with effect from October 1, 2014 to regulate transaction between the Company and its Related Parties bases on the applicable laws and regulations.

## **3. Definition**

For the purpose of this policy

**“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

**“Audit committee”** means “Audit Committee” of the Board of Director of the Company

**“Board of Director”** means the Board of Director of the Company

**“Company”** means “Inani Marbles & Industries Limited”

**“Arm’s Length Transaction”** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

**“Related Party”**, with reference to a Company, shall have the same meaning as defined in Section 2(76) of the Companies Act, 2013 and Clause 49 of the Listing Agreement

**“Related Party Transaction”** means any transaction involving any Related Party which is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.

**“Relative”** means any one who is related to another, if—

- (1) They are members of a Hindu Undivided Family;
- (2) They are husband and wife; or
- (3) Father (includes step-father)
- (4) Mother (includes the step-mother)
- (5) Son (includes the step-son)

- (6) Son's wife.
- (7) Daughter.
- (8) Daughter's husband.
- (9) Brother (includes the step-brother)
- (10) Sister (includes the step-sister)

**"Shareholders"** means the Shareholders of All

**"Special Resolution"** means the votes cast in favour of the resolution, whether on a show of hands, or electronically or on a poll, as the case may be, by members who, being entitled so to do, vote in person or by proxy or by postal ballot, are required to be not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting.

**"Key Managerial Personnel"** means in relation to a company, means—

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer; and

#### **4. Policy**

All Related Party Transactions must be reported to the Audit Committee and referred for approval as per the requirement of the law.

A. Every Related Party Transaction shall be subject to the prior approval of the Audit Committee whether at a meeting or by resolution by circulation. However the Audit Committee may grant omnibus approval for Related Party proposed to be entered into with the Company which are repetitive in nature and are in the ordinary course of the business and Arm Length basis, such omnibus approval shall specify:

- (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction 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 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.

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 approval shall be valid for a period not exceeding one year and shall require fresh approval after expiry one year.

Any member of the Committee who has a potential interest in any Related Party Transaction shall abstain from discussion and voting on the approval of the Related Party Transaction.

- B. If the 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 the Board to approve the Related Party Transaction, then the Board shall consider and approve the Related Party Transaction and the consideration 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.
- C. All the Related Party Transactions which are material shall require approval of the shareholders through special resolution and the Related Parties with whom transaction is to be entered shall abstain from voting on such resolution.
- D. For the purpose of the approval, the Company shall provide the audit committee with the following details in order to enable it to take a learned decision.
  - (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction 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

##### **5. Material Related Party Transactions**

Clause 49 of the Listing Agreement requires a company to provide materiality thresholds for transactions beyond which the shareholders' approval will be required by way of a special resolution. The Company has fixed its materiality threshold at 10% of the annual consolidated turnover of the Company as per last audited financial statements of the company for the purpose of Clause 49(VII)(C) of the Listing Agreement.

##### **6. Related Party Transactions Not approved Under This Policy**

In the event of the Company becomes aware of a Transaction with a Related Party that not been approved under this policy prior to its consumption, the matter shall be reviewed by the audit committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction and shall evaluate all option available to the Company, including rectification, revision or termination of the Related Party Transaction. The Audit Committee may examine the facts and circumstances of the case and take any such action it deems appropriate.

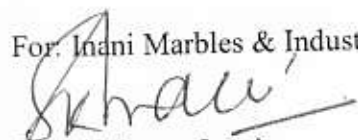
**7. Disclosure**

The Company shall disclose the policy on dealing with Related Party Transaction on its website.

**8. Amendment**

Any subsequent amendment/modification in the listing agreement and/or other applicable law in this regard shall automatically apply to this policy.

For. Inani Marbles & Industries Ltd



Suresh Kumar Inani  
(Managing Director)  
DIN No. 00219702