

MINI DIAMONDS (INDIA) LIMITED

RELATED PARTY TRANSACTIONS POLICY

1. Introduction

This Policy is framed by the Company pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy applies with immediate effect to transactions, if any, requiring shareholders approval and shall apply to other related party transactions (where shareholders approval is not required) with effect from 1st December, 2015 or any modifications effected on or after 1st December, 2015 to subsisting transactions with Related Parties.

2. Definitions

- a. "Act" means Companies Act, 2013 including any statutory modification or re-enactment thereof;
- b. "Board" means Board of Directors of the Company.
- c. "Related Party" with reference to the company, means an entity where:
 - i. Such entity is a related party as defined under section 2(76) of the Companies Act, 2013; or
 - ii. Such entity is a related party under the applicable accounting standards.
- d. "Related Party Transaction" means a transaction between the company and a Related Party which transaction is of the nature specified in sub-clause (a) to (g) of section 188(1) of the Companies Act, 2013, or is a related party transaction as understood under Regulation 2(zc) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- e. "Regulations" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification or re-enactment thereof

3. Transactions between Company & Related Parties and Materiality Threshold

Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provisions of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Materiality Threshold:

A transaction with the Related Party shall be treated as "Material" if any transaction / transactions to be entered into individually or taken together with previous transactions during a financial year:

Exceeds the limits specified in Sub-rule (3) of Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 of the Companies Act, 2013 as amended from time to time and which are not in the Ordinary Course of Business and are not at Arm's Length Principle; or

4. Internal Processes in regard to Related Party Transactions

The Company shall, with the approval of the Board of Directors, establish appropriate internal processes for the purpose of identification of Related Parties and any transactions with them, determination of whether the transaction (s) is in ordinary course of business, whether the transaction(s) is on an arm's length basis, monitoring "Materiality" threshold and other relevant matters to ensure adherence to this policy in entering into transactions with Related Parties.

5. Amendment

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Regulations, Act or any law for the time being in force.

Approved at the Meeting of the Board of Directors held on 06th November, 2015