

Bhansali Engineering Polymers Limited

Policy for Related Party Transactions

(W.E.F. 14th February, 2016)

1. PREAMBLE:

In compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board of Directors (the "Board") of Bhansali Engineering Polymers Limited has adopted the following policy with regard to Related Party Transactions (RPTs). This policy is intended to ensure proper approval and reporting of Related Party Transactions based on the applicable laws.

2. POLICY:

All Related Party Transactions shall satisfy the respective requirements of the provisions of Companies Act, 2013 and Listing Regulations.

All Related Party Transactions shall require prior approval of the Audit Committee. However, if such transactions are repetitive in nature, the Audit Committee may grant omnibus approval for such transactions in line with this Policy for an amount not exceeding Rs. 5 Crore per transaction in a Financial Year. Further, where the need for related party transactions cannot be foreseen and requisite details are not available, the omnibus approval shall not exceed Rs. 1 Crore per transaction. The omnibus approval will be valid for only one year and will require fresh approval of Audit Committee after expiry of one year.

All material Related Party Transactions (viz. when exceeding the prescribed threshold limit) shall require approval of the shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given, if any. All the RPTs will be referred to the next regularly scheduled meeting of Audit Committee for review and approval if prior specific approval has not been obtained from Audit Committee for the same due to any exigency.

3. CRITERIA FOR GRANTING OMNIBUS APPROVAL:

In determining whether to grant omnibus approval for Related Party Transaction(s), the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transactions:

1. Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company;
2. Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
3. Whether the Related Party Transaction would affect the independence of a director;
4. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
5. Whether the Committee was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification if allowed would be detrimental to the Company; and
6. Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executives or other Related Party, the direct or indirect nature of the director's, Key

Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of such matter, with such modification as may be necessary or appropriate under the circumstances.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee or Shareholders:

- i. Any transaction that involves the providing of compensation or employment benefits to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- ii. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party (ies) (viz. without any discrimination).

4. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY:

In case the Company becomes aware of a Related Party Transaction that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

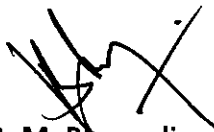
In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced or concluded without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the contract/transaction. While making review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

This Policy will be communicated to all the concerned person, whenever required.

For Bhansali Engineering Polymers Limited



M. C. Gupta
Chairman
(DIN: 01362556)



B. M. Bhansali
Managing Director
(DIN: 00102930)



Dr. B.S. Bhesania
Director
(DIN: 00026222)

Date: 14th February, 2016

Place: Mumbai