

UO // **UNIQUE ORGANICS LIMITED**

CIN: L24119RJ1993PLC007148

Reg. Office: E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur-22 (Raj)

Phone: +91-141-2521804, Fax: +91-141-2523653

E-mail: compliance@uniqueorganics.com; Website: www.uniqueorganics.com

FOREIGN EXCHANGE RISK MANAGEMENT POLICY

1. PREAMBLE

- 1.1 Company's business activities inter-alia include exports and imports of food, feed ingredients and spices etc. Company is exposed to exchange rate fluctuations on its exports and imports. The impact of Forex fluctuations on the Company's profitability and finances is to be considered to mitigate the risk.
- 1.2 It is therefore, important that the Company manages and mitigates its risk and accordingly develop a Currency Risk Management Policy Document which will provide the necessary guiding parameters.

2. OBJECTIVES

- 2.1 To make certain that the Foreign Exchange Risks are effectively identified, assessed, monitored and managed by the Company in consistent with the overall objectives of the Company and in compliance with the legal requirements and regulations of Reserve Bank of India.
- 2.2 To minimize the impact of Forex rate variations on INR value of the committed receipts and payments in foreign currencies while minimizing the cost of such protection.
- 2.3 Enable personnel to understand the extent of forex risk faced by the Company and the manner in which it is being managed.

3. UOL's Forex Details:

UOL's Forex transactions are as follows:

- 3.1 The company is exporting its products being food, feed ingredients and spices etc., thereby earning foreign exchange.
- 3.2 The company from time to time on requirement basis imports food, feed ingredients and spices etc.



UO // **UNIQUE ORGANICS LIMITED**

CIN: L24119RJ1993PLC007148

Reg. Office: E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur-22 (Raj)

Phone: +91-141-2521804, Fax: +91-141-2523653

E-mail:compliance@uniqueorganics.com; Website: www.uniqueorganics.com

4. Present Practices and Policy of the Company:

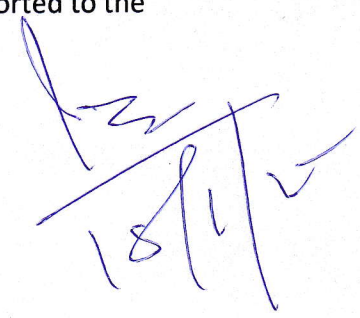
Present Forex Management Practices at UOL are as under -

- 4.1 Company as a policy does not go for derivatives and options.
- 4.2 Company prefer for bill discounting/forward booking of all inward foreign currency transactions.
- 4.3 Company also prefer to dispose of the advances received in foreign currency against sales contracts on the day of receipt only to avoid any fluctuation in currency rates.
- 4.4 Bill discounting/ Forward Booking /Hedging etc. done, if any, are purely on risk mitigation principles and not on profit making principle.
- 4.5 Company closely monitor foreign currency rates to get best and most competitive rate at the time of Bill discounting/ Forward Booking /Hedging etc.
- 4.6 Foreign currency transactions are recorded in accordance with the guidelines laid down in Accounting Standards.
- 4.7 The decisions regarding Foreign Exchange transactions shall be made in the Corporate Office only.
- 4.8 Day-to-day decisions regarding booking/cancelling forward contracts shall be made with the approval of the Executive/Managing Director and the documents in respect of the foreign exchange transactions shall be executed as per the authority given by the Board of Directors.

5. REPORTING & REVIEW

- 5.1 Periodical Audit of the Foreign Exchange Transactions and Hedging carried out if any, would be done by the internal auditors of the Company and reported to the Management.

-X-X-X-



Handwritten signature and date: 18/11/2