



RUPA & COMPANY LIMITED

CODE OF CONDUCT AND BUSINESS ETHICS

Effective- May 30, 2016

[As revised and approved by Board of Directors on May 30, 2016]

Rupa & Company Limited

CIN: L17299WB1985PLC038517

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1 Objective

- 1.1 The objective of this document is to communicate the Code of Conduct and Business Ethics of the Rupa & Company Ltd ('the Code') to the Directors, Senior Management and Employees of Rupa & Company Ltd ("the Company"). The purpose of the Code is to deter wrongdoing and promote ethical conduct in the Company. The Code defines what the Company expects from its business and personnel regardless of the location or their background.
- 1.2 It is intended to serve as a guideline to their corporate and individual behaviour in the conduct of business and the discharge of their duties. The Code is intended to focus on the areas of ethical risk, integrity and honesty, providing guidance to help them recognize and deal with ethical issues and help foster a culture of honesty, integrity and accountability.
- 1.3 The Code shall strive to set goals for attaining the highest standards of good governance, meticulously pursue them and shall endeavour to maximize value for the customers, shareholders, employees and all other stakeholders and last but not the least the government. The matters covered in this Code are of the utmost importance to the Company. Further, these are essential so that the Company can conduct its business in accordance with its stated values.
- 1.4 This Code helps maintain the standard of business conduct of the Company. Accordingly, directors and employees of the Company are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with all applicable laws; rules and regulations and all applicable policies and procedures adopted by the Company that govern the conduct of its employees.

2 Applicability

- 2.1 The Code has been divided into four parts, namely **Part I, II, III and IV**:

Part I is applicable to all employees of the Company (full-time or part-time employment with the Company) and also to those on probation, training, retainership, temporary or contractual appointment, across all units and offices of the Company.

Part II is applicable to Senior Management of the Company. Senior Management employees shall additionally comply with **Part I** of this Code.

Part III is applicable to the Executive Directors of the Company, irrespective of their designation. An Executive Director shall additionally comply with **Part I and II** of this Code.

Part IV is applicable to the Non-Executive Directors of the Company including Independent Directors. Further, the Independent Directors / Non-executive directors shall comply with the provisions under **Part I, II & III** of this Code to the extent applicable to them. However, with respect to the Executive Duties of the directors, an independent director and/or a non-executive director shall not be held liable.



- 2.2 Whenever any provision of this Code is also covered under any Act or Law, the more stringent of the respective provisions shall apply unless the law expressly forbids it. If any Act or Law covers any aspect but this Code is silent on the same, the provisions of the Act or Law shall apply. In case of contradiction with any law, this Code shall stand modified to the extent it is contrary to such law.
- 2.3 The Board of Directors of the Company shall be the final internal authority as far as any interpretation of the Code or its applicability/violation and consequential actions are concerned. However, for any query regarding applicability of any provisions of this Code, the Compliance Officer of the Company may be consulted for requisite clarification.
- 2.4 Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

3 Interpretation

Applicable Law	includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction and/or mandatory standards as may be applicable to the Company from time to time.
Board	shall mean the Board of Directors of the Company.
Compliance Officer	shall mean the Company Secretary or an officer as may be appointed by the Board of Directors.
Customer	any business or entity to which the Company or one of its subsidiaries sells any product bearing a trademark of the Company.
Director	includes an Executive Director, Non- executive Director, Nominee Director or Independent Director.
Employee	shall mean a person who is in employment with the Company in part or full time basis and include a person who is on probation, training, retainer ship, temporary or contractual appointment, across all units and offices of the Company.
Executive Duties	shall include the following: a) any day to day management or administrative function including day to day compliance of Applicable Laws;



	b) any functional role in the Company; c) any such activity, role or function which compromises or affects the independence of an Non-executive director or independent director.
Relative	shall mean “relative” as defined in section 2(77) of the Companies Act, 2013 and rules prescribed thereunder.
Senior Management Personnel (SMP)	shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors of the Company and normally this shall comprise all members of management one level below the executive directors, including all functional heads.
Supplier	any vendor of product or services to the Company, including consultants, contractors and agents. The definition also includes any supplier that the Company is actively considering using, even if no business ultimately is awarded.

4 Compliance with the Code & Violations

Compliance with the Code, both in letter and in spirit, shall be the foundation on which this Company’s ethical standards shall be built in the time to come. The Directors, Senior Management and Employees assume an obligation for their own awareness and the effective communication of the Code to other employees who report to them. Frequent discussion of ethical issues, both informally and formally, is a sign of good corporate practice. These responsibilities of the Employees cannot be delegated. The Directors, Senior Management and Employees should-

- 4.1 help enforcing this Code.
- 4.2 be alert to possible violations and report any possible/ actual violation to the Appropriate Authority i.e. Reporting Officer of the employee/ Compliance Officer/ Managing Director/ Chairman of the Audit Committee, as the case may be.
- 4.3 co- operate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation or a suspected violation of law, this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

4.4 Action in case of violations

- 4.3.1 Those Employees, Directors and Senior Management who violate this Code may be subject to disciplinary action, up to and including discharge.
- 4.3.2 The Senior Management, Employees and Directors who have knowledge of a violation



and fail to move promptly to report or correct it and who direct or approve violations may also be subject to disciplinary action up to and including discharge.

4.5 Amendment, Modification & Waiver

- 4.5.1 This Code may be amended, modified, or varied by the Board, subject to appropriate applicable provisions of law, rules, regulations and guidelines.
- 4.5.2 Waiver of any provisions of this Code for officers of the Company must be approved by the Board or its designated committee and will be disclosed promptly to the extent required by applicable provisions of law, rules, regulations and guidelines.

4.6 Compliance Officer

- 4.6.1 The Compliance Officer is available to answer any questions about the Code or Company compliance policies, or to discuss any concerns you may have about potential Code violations.

To contact Compliance Officer:

Call: +91-33-30573100,

E-mail: cs@rupa.co.in

Part I (Applicable to all employees)

5 National Interest

- 5.1. The Company shall not undertake any project or activity detrimental to the national interest and against the laws of the land. It shall be the silent endeavour of the employees of the Company that the activities of the Company ultimately add to the economic development of the Country and further national interest.
- 5.2. The functioning of the Company shall be within the framework of the economic, development and legal policies of the Government of India and the State Governments. Tasks, debates or conversations shall not be undertaken or participated that can reflect unfavourably on the dignity of our nation or go against its interests.
- 5.3. The Company, in the course of its business activities, shall respect the culture, customs and traditions of the region in which it operates. It shall conform to trade procedures, including licensing, documentation and other necessary formalities, as applicable.

6 Equal opportunity to work

- 6.1 The Company shall provide equal opportunities to all its Employees and all deserving applicants for employment without regard to their race, caste, religion, colour, ancestry,



marital status, gender, sexual orientation, age, nationality, ethnic origin or disability. Human resource policies shall promote diversity and equality in the workplace, as well as compliance with all local labour laws, while encouraging the adoption of best practices.

- 6.2 Employees of the Company shall be treated with dignity. Employee policies and practices shall be administered in a manner consistent with applicable laws and other provisions of this Code, respect for the right to privacy and the right to be heard, and that in all matters equal opportunity is provided to those eligible and decisions are based on merit.
- 6.3 There shall be commitment to the principles of proper, fair and transparent development and evaluation processes. All appointments or extensions, dismissals, increments or promotions (including the making of any promise such towards appointment, extension, increment or promotion) shall be done only by following the internal procedures of the Company. Promotions and/or increments shall not be automatic or time bound but performance and merit based.
- 6.4 All Employees are expected to devote fullest energy and due attention to the business of the Company.

7 Ethics & Standards of Behaviour

- 7.1 It is expected that business of the Company shall be carried on fundamentally in a manner that safeguards the interest of stakeholders, and enhances shareholder's value. It shall be recognized and acted upon on the basis of the conviction that these fundamentals are best achieved through a combination of efficient and productive operations and through integrity and customer satisfaction.
- 7.2 The Employees of the Company should make all efforts to establish cordial relationships with all stakeholders of the Company with whom they interface while carrying out their duties for the Company and must try to make positive contributions to the communities in which they perform such duties.
- 7.3 The Employees shall deal on behalf of the Company with professionalism, honesty, integrity as well as high moral and ethical standards. Such conduct shall be fair, ethical and transparent enough to be perceived as such by others. All Employees shall strive to ensure complete implementation of and adherence to the Code in an utmost professional manner.
- 7.4 Great significance and value shall be attached to the Company's commitments, both internal and external, and every possible effort shall be made to achieve them and adhere to them.
- 7.5 The Employees of the Company are expected to uphold professionalism and competence, integrity and honesty, trust and fairness, discipline and teamwork, as well as truthfulness and high moral standards in their day-to-day dealings and conduct, both within the Company and outside.
- 7.6 All Employees of the Company shall conduct themselves in a way that upholds and enhances the image of their position and that of the Company. They shall not undertake or participate in



any task, debate or conversation that can reflect unfavourably on their own or the Company's dignity or go against the Company's interests.

- 7.7 Accountability shall be encouraged and enforced consistently across all levels and functions. Responsibility would be taken for actions and mistakes would be admitted to. It is made clear that the term "accountability" does not confine itself to faults or failures; the term applies equally to achievements and strengths.
- 7.8 Pride of place shall be given to the best of social, cultural and intellectual values, in behaviour and conduct. Misrepresentation, manipulation or misinformation in respect of business, commercial or financial data, information or operating reports shall be a violation of integrity as well as the Code.
- 7.9 Use of Company's asset by any Employee, does not confer any right, nor creates a lien on the asset, in favour of the user at any time.

8 Quality of goods, services and dealings

- 8.1 The Company is committed to building and maintaining long term and mutually beneficial relations with all customers and stakeholders, by consistently providing high quality goods and services, through equitable conduct and by the upholding of values of commitments.
- 8.2 Due courtesy, consideration and promptness shall be ensured and exercised in communication and inter-personal dealings particularly with customers and generally with all other stakeholders including but not limited to suppliers, agents, dealers, financial bodies, banks and shareholders or depositors.
- 8.3 There shall be a consistent effort to exhibit high professional, fair and courteous values in dealings and behaviour with third parties.
- 8.4 Due courtesy, consideration and promptness shall be ensured and exercised in communication and inter-personal dealings equally with peers and colleagues within the Company.

9 Insider Trading

No form of insider trading shall be indulged in, whether direct or indirect, including in shares or commodities, or assist any outsider to derive advantage from information not in the public domain and shall abide by the Code.

10 Conflict of Interest

A conflict of interest arises when your personal activities and relationships interfere, or appear to interfere, with your ability to act in the best interest of the Company. With this respect, the Employees-

- 10.1 should endeavour to avoid any conflict of interests with the Company.



- 10.2 must not allow personal interest to conflict with the interest of the Company or to come in the way of discharge of duties of office.
- 10.3 should not engage in a business, commercial relationship or commercial activity with anyone who is a party to transaction(s) with the Company.
- 10.4 should not derive a personal benefit or a benefit to any of their relatives by making or influencing decisions relating to any transaction(s).
- 10.5 should act in good faith, responsibly, with due care, competence and diligence.
- 10.6 should abstain from discussions, voting or otherwise influencing decisions on any matter that may come before the Board in which they may have a conflict or potential conflict of interest.
- 10.7 It is expressly prohibited for any Employee to directly or indirectly:
 - 10.7.1 Solicit or accept any gratification, in cash or in kind, from any person/party dealing with or seeking to deal with the Company or from another Employee. If any inducement is offered to any Employee he must immediately bring this to the notice of his unit head. (It is permissible to accept/give gifts of nominal value, customarily given on special festivals or occasions).
 - 10.7.2 Confer any benefit prejudicial to the Company's interest to any party under influence of gratification or promise thereof or in violation of commercial or administrative prudence.
 - 10.7.3 Hold or be interested any place of wrongful personal gain vis-à-vis the Company.
 - 10.7.4 Commit theft in any manner.

11 Interaction with Media

- 11.1 To facilitate the achievement of the Company's vision and business plans, it is necessary to communicate the policies, plans and accomplishments in the most effective manner through the media to our investors, customers, existing and potential, other stakeholders and to the community at large.
- 11.2 All statements made to the media on behalf of the Company should be true and fair. Only persons duly authorised by the Management are allowed to interact with media on specified subjects. Disclosures of any information other than statutory disclosures or those specifically authorised by the Management is prohibited.
- 11.3 Disclosure of information on proceedings of Board meetings/Committee meetings/internal meetings, and disclosure of forward-looking statements is prohibited. In case any such disclosure has to be made it has to be approved by the Management and shall be combined with cautionary statements, wherever required.



- 11.4 The Employees shall not disclose non public information selectively to any particular group as it may lead to unfair advantage / discrimination.

12 Information Technology

- 12.1 The Company encourages IT friendliness. It is committed to make extensive use of computers, modern data processing, and office automation and communication system, as may be practically possible. These shall be used to improve productivity, response time, information integrity, quality and presentation of documents and information.
- 12.2 All users shall take due care to ensure security and safety of data, and to follow customarily accepted norms of usage for hardware and software. Only permitted software can be loaded on to Company machines, and only by appropriate persons.
- 12.3 The use of pirated/illegal software, or software or other materials that are prohibited or offend norms of social decency shall not be supported. Employees shall not on any account engage in casual browsing or surfing or chatting on any network at the workplace nor download software or material which are prohibited or offend norms of social decency.
- 12.4 Any Employee in possession of the Company's access passwords for the internet or internal network shall use these solely for the purposes intended and shall not disclose the same to any unauthorized person nor to any person who may misuse the same, nor shall they use access passwords belonging to any other person.
- 12.5 No Employee shall undertake or abet any non-ethical computing activity, including making or distributing of copies of legal software or designing, transmitting, distributing or implanting any form of virus. "Hacking" or any other such unacceptable activity whether over internal or external networks is strictly prohibited.

13 Health, Safety and Environment

- 13.1 The Company strives to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in.
- 13.2 The Company is committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, use and disposal of any of the intermediaries or direct materials used in its product and service offerings on the ecological environment.
- 13.3 Steps to promote greater awareness about health care for employees and their families will be endeavoured to be taken.
- 13.4 Consumption of alcohol or any other intoxicating substance at the workplace is strictly prohibited.

14 Duty of Confidentiality



- 14.1 The Company's confidential information is a valuable asset. The Company's confidential information includes product information, product plans and list of customers, dealers and Employees and financial information. All confidential information must be used for Company's business purpose only.
- 14.2 The Employee must safeguard confidential information acquired during their association with the Company. Confidential information, includes all non-public information that might be of use to competitors, or harmful to the Company, if disclosed. The Employees of the Company must maintain confidentiality of the information and shall not use confidential knowledge for their direct or indirect personal advantage or for the advantage of any other entity in which they have a direct or indirect interest.
- 14.3 Any information concerning the Company's business, its customers, suppliers, etc. to which the Employees have access or which is possessed by the Employees, must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless
- authorised by the Board; or
 - the same is part of the public domain at the time of disclosure; or
 - is required to be disclosed in accordance with Applicable Laws.

Part II (Applicable to Senior Management)

[A Senior Management Employee shall additionally comply with Part I of this Code]

15 Duties

- 15.1 The Senior Management shall:
- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
 - seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company, upon requisite approval from the management;
 - keep themselves well informed about the Company and the external environment in which it operates;
 - report concerns about unethical behaviour, actual or suspected fraud or violation of the code;
 - acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its Employees;
 - not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.



- 15.2 It is expected that all members of the Senior Management of the Company shall in their personal conduct (whether on duty or not) be law abiding and demonstrate an upright character.
- 15.3 All members of the Senior Management of the Company share the responsibility for protecting the confidentiality and security of all our proprietary and other technical and business information.
- 15.4 All members of the Senior Management of the Company should, endeavour to economies on expenses in all areas and avoid any misuse or wasteful expenditure.
- 15.5 All members of the Senior Management of the Company should avoid conducting the Company's business with any related party within the meaning of the Applicable laws, rules, regulations and guidelines.
- 15.6 If there are any transactions proposed with any related parties within the knowledge of any member of Senior Management, they must report the same to the Compliance Officer. If determined to be material to the company, the transactions shall be placed before the Audit Committee for review.
- 15.7 Any dealings with a related party must be conducted on an arms' length basis and on commercial terms and no preferential treatment shall be given.

16 Corporate Governance

- 16.1 The Company is committed to adopting, besides any of its obligations under relevant laws or regulations, the best relevant practices for Corporate Governance.
- 16.2 Due emphasis shall be laid on the audit/internal audit process, as necessary to safeguard the interests of shareholders. Senior Management of the Company must extend its full co-operation to the Auditors and ensure that all information as may be required by them is made available.
- 16.3 Senior Management of the Company shall, in his business conduct, comply with all Applicable Laws and regulations, both in letter and spirit, in all the territories in which he operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of this code of conduct, then the standards of the code shall prevail.

17 Information and Communication

- 17.1 The Company fully understands the information requirements of its stakeholders. In respect of disclosing business, technical, commercial or proprietary information in the public domain, it shall be represented only by specifically authorized Officers.
- 17.2 All relevant work-related information shall be fully and timely shared with those concerned, so that all are able to perform their job as best possible and avoid confusion,



misunderstanding and distrust.

- 17.3 Positive and effective communications, both internal and external, are key needs for motivation and success. It is particularly the responsibility of senior officers to ensure that goals, policies, progress and initiatives are communicated appropriately and regularly so that all Employees may understand them and relate to them.
- 17.4 No member of the Senior Management of the Company shall communicate in any matter (except as per any general or special order of the Company or in the performance of duties assigned to him) any information or official document or part thereof to any other employee or person to whom he is not authorized to communicate such information, or where such communication may prejudice the interest of the Company or which may adversely affect its business or competitive edge.
- 17.5 No form of insider trading shall be indulged in, whether direct or indirect, including in shares or commodities, or assist any outsider to derive advantage from information not in the public domain.

Part III (Applicable to Executive Directors)

[An executive director shall additionally comply with **Part I** and **II** of this Code]

18 Duties:

The Executive Directors shall—

- a. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- b. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- c. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- d. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e. strive to attend the general meetings of the company;
- f. where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- g. keep themselves well informed about the company and the external environment in which it operates;



- h. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- j. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k. report concerns about unethical behaviour, actual or suspected fraud or violation of the Code;
- l. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- m. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law;
- n. Act in accordance with the articles of the company, subject to the provisions of the Companies Act, 2013 and other applicable laws, rules, regulations and government guidelines;
- o. act in good faith in order to promote the objects of the Company for the benefit of the members and in the best interest of the Company, its Employees, members, the community and for the protection of environment;
- p. exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- q. not involve in situation in which may have directly or indirectly any conflict of interest or which may possibly conflict with the interest of the Company;
- r. not achieve or attempt to achieve any undue gain or advantage either themselves or to their relatives, partners, or associates and if any director found to be guilty of making undue gain, then he shall be liable to pay an amount equal to that gain to the Company;
- s. not assign his office and any assignment if made, shall be void;
- t. oversee compliance of Applicable Laws;
- u. ensure that the applicable accounting standards had been followed along with proper explanation relating to material departures in the preparation of the annual accounts;
- v. select such accounting policies and apply them consistently and make judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of



affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- w. take proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- x. prepare the annual accounts on a going concern basis;
- y. lay down internal financial controls to be followed by the company and ensure that such internal financial controls are adequate and were operating effectively;
- z. devise proper systems to ensure compliance with the provisions of all Applicable Laws and ensure that such systems were adequate and operating effectively.

Part IV (Applicable to Non-Executive Directors including Independent Directors)

Independent Directors / Non-executive directors shall, in addition to this Part, also comply with the provisions under **Part I, II & III** of this Code. However, with respect to the Executive Duties of the directors, an independent director and/or a non-executive director shall not be held liable.

This Part of the Code is a guide to professional conduct for Independent Directors/ Non- executive Directors. Adherence to these standards by Independent Directors/ Non- executive Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders and regulators.

I. Guidelines of professional conduct:

An Independent Director/ Non-executive Director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bonafide manner in the interest of the Company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;



- (8) where circumstances arise which make an Independent Director lose his independence, inform the Board accordingly;
- (9) assist the Company in implementing the best corporate governance practices.

II. Role and functions:

An Independent Director/ Non-executive Director shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial control and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of Executive Directors, Key Managerial Personnel and Senior Management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

The Independent Directors/ Non-executive Directors of the Company shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are



chairpersons or members;

- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Code;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

- (1) Appointment process of Independent Directors shall be independent of the Company's management; while selecting Independent Directors, the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of Independent Director(s) of the Company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.



- (4) The appointment of Independent Directors shall be formalised through a letter of appointment, which shall set out :
 - (a) the term of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the Company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

V. Re-appointment:

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an Independent Director shall be in the same manner as is provided in Sections 168 and 169 of the Act.
- (2) An Independent Director who resigns or is removed from the Board of the Company shall be replaced by a new Independent Director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the Company fulfills the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new Independent Director shall not apply.

VII. Separate meetings:

- (1) The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the Independent Directors of the Company shall strive to be present at such meeting;
- (3) The meeting shall:



- (a) review the performance of non-independent directors and the Board as a whole;
- (b) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive directors;
- (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

(This Code of Conduct and Business Ethics was approved by the Board of Directors of the Company at its meeting held on May 30, 2016)