

Code of Conduct

For

**Board of Directors and Senior
Management Personnel**

SUMERU INDUSTRIES LIMITED (SIL)

Introduction:

The purpose of this **“Code of Conduct for Board of Directors and other Senior Management Personnel”** (hereinafter referred to as **“the Code”**) of Sumeru Industries Limited (hereinafter referred to as **“the Company”**) is to enhance ethical and transparent process in managing the affairs of the Company.

This Code for Board Members and Senior Management Personnel has now been framed specifically pursuant to the requirements of revised Clause 49 (sub clause IIE) of listing agreement (SEBI code on corporate governance) with the Stock Exchanges and is approved by the Board of Directors in their meeting dated 18th October, 2014.

Responsibility relating to enforcement of this Code:

The Code is applicable to:

- Members of the Board,
- Senior Management Cadre comprising members of its core management team excluding Board of Directors and would comprise of all members of management one level below the Whole time Directors, including all functional heads.

The Directors and Senior Management Personnel of the Company:

- Shall maintain and help the Company in maintaining highest degree of Corporate Governance practices.
- observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement.
- Shall act in utmost good faith and exercise due care, diligence and integrity in performing their office duties.
- Shall ensure that they use the Company’s assets, properties, information and intellectual rights for official purpose only or as per the terms of their appointment.
- Shall maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage.
- Shall not commit any offences involving moral turpitude or any act contrary to law or opposed to the public policy.
- Shall not, without the prior approval of the Board or Senior Management, as the case may be, accepts employment or a position of responsibility with any other organisation for remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interest to conflict with the interest of the Company.
- Shall ensure compliance with SEBI (Prohibition of Insider Trading) Regulations, 1992 as also other regulations as may become applicable to them from time to time.
- Shall in conformity with applicable legal provisions disclose personal and/or financial interest in any business dealings concerning the Company and shall declare information about their relatives (spouse, dependent children and dependent parents) including transactions, if any, entered into with them.
- Shall ensure compliance of the prescribed safety and environment related norms and other applicable codes, laws, rules, regulations and statutes, which if not complied with may, otherwise, disqualify him/her from his/her association with the Company.

- Directors must safeguard confidential information by keeping it secure, limiting access to those who have a need to know in order to do their job, and avoiding discussion of confidential information in public areas. The obligation to preserve confidential information is on-going, even after service ends.
- Confidential information may not be used for personal benefit. It is prohibited to trade securities or to tip others to trade securities of SIL or other companies on the basis of material information before it is made publicly available to ordinary investors through appropriate media. Such information includes but not limited to the followings:
 - ❖ Potential financial results of the company;
 - ❖ Intended declaration of dividends (both interim and final);
 - ❖ Issue of securities or buy-back of securities;
 - ❖ Any major expansion plans or execution of new projects;
 - ❖ Amalgamation, mergers or takeovers;
 - ❖ Disposal of the whole or substantial part of the undertaking;
 - ❖ Any significant changes in policies, plans or operations of THE COMPANY.
 - ❖ Important Management Changes;
 - ❖ and other information that has the potential to affect the stock price of the Company or another Company.
- Shall not own, either directly or indirectly, a substantial interest in any business entity that does or seeks to do business with or is in competition with the Company without providing advance notice to the Chairman of the Board and the Secretary of the Company.
- Shall take business decisions in the best interest of the Company. Actions must be based on sound business judgment, not motivated by personal interest or gain. Any situation that creates or appears to create a conflict of interest must be avoided.
- In addition to the above, independent directors shall abide with the duties of Independent Director as mentioned under the Companies Act, 2013, the Schedules and the Rules made thereunder.

Annual compliance reporting:

Board Member and Senior Managers shall affirm compliance with this Code on an annual basis as at the end of each financial year of the Company. A proforma of Annual Compliance Report is annexed to this Code as Appendix-I.

Acknowledgement of receipt of this code

All Board Members & Senior Management Personnel shall acknowledge the receipt of this Code or any modification(s) thereto, in the acknowledgement form annexed to this Code vide Appendix-II and forward the same to the Company Secretary.