



CODE OF CONDUCT FOR THE BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY

INTRODUCTION

The Need :-

The Securities and Exchange Board of India (SEBI) vide its circular dtd. 29th October, 2004 has revised Clause 49 of the Listing Agreement. The revised clause 49 now makes it mandatory for every listed Company to lay down a Code of Conduct to be followed by the Board Members and Senior Management Person(s) of the Company.

The Purpose :-

- a. Is to ensure that the Company is well managed in the interest of the stakeholders.
- b. To conduct the business of the Company as per the principles and values which enhance the ethical and transparent process in managing the affairs of the Company.
- c. It is intended to assist the members in recognizing and dealing with ethical issues.
- d. To help to ensure compliance with legal requirements and other standards of business conduct.
- e. To provide a mechanism to report unethical conduct and to foster a culture of integrity and accountability.
- f. To dissuade members from exploiting corporate business opportunities or make due disclosures of the same.
- g. To help in the conduct of the business of the Company in a responsible manner and promote integrity among top executives.

CHANGES TO THIS CODE:-

The Board reserves the right to amend, change, add, delete or modify any contents of this code at any future date. Any changes made would be prospective and will be duly communicated to members.

DEFINITIONS:-

Members :- The members shall include all the Executive, Non Executive Directors, all the departmental/functional heads by whatever name called.

APPLICABILITY:-

The code shall become applicable on 1st January, 2006 and shall remain in force unless otherwise intimated specifically.

The Code is applicable to the members as defined above.



GUIDELINES FOR CONDUCT:-

1. Honesty and Integrity

All members shall conduct their activities, on behalf of the Company, with honesty, integrity and fairness. They will act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgement to be subordinated. They will act in the best interest of the Company and fulfill the fiduciary obligations.

2 Corporate Opportunity

Members should not exploit for their personal gain, opportunities that are discovered through the use of Company's property, information or position, unless the opportunity is disclosed fully in writing to the Board and the Board declines to pursue such opportunity.

3 Conflict of Interest

Members are expected to dedicate their best efforts to the business of Company and take decisions that are independent of outside influences and in the best interest of the Company.

Conflict of interest occurs when one's private interest in any way, or even appears to interfere, with the interest of the Company. A conflict situation can arise when members have interest that makes it difficult to perform his duties for the Company objectively and effectively. A member's obligation to conduct the Company's business in honest and ethical manner includes the ethical handling of actual or apparent conflict of interest between personal and business interest.

A member who has an actual or potential conflict of interest must disclose to the Board its nature and relevant facts that may be material to judgement whether to proceed with the transaction or not. The member may proceed with the transaction only after receiving approval from the Board.

4. Information provision and usage

Members should provide to all the shareholders and other members information relevant to the business of the Company that is correct and complete. This is in lien with the value of openness and transparency.

Any information concerning the Company's business, its customers, suppliers, etc. which is not in public domain and to which the member has access or possesses such information, must be considered confidential and held in confidence, unless authorised to do so and when disclosure is required as a matter of law. No member shall provide any



information either formally or informally, to the press or any other publicity media, unless specially authorised.

Members should not use any confidential information to accrue personal gains.

5. Protection of Assets

Members are responsible for the proper use, protection and conservation of Company's assets and resources. This includes Company properties, assets, proprietary manufacturing processes, process technology, financial data, strategies, trade secrets, corporate information and other Company rights. Company assets are to be used solely to pursue and achieve Company's goals and not for personal benefit, unless approved by the Board.

6. Fair Dealing

In carrying out their duties and responsibilities, members should endeavor to deal fairly, and should promote fair dealing by the Company, its employees and agents, with customers, suppliers and employees.

Members should not seek to take unfair advantage of the Company through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing.

7. Compliance With Government Laws, Rules And Regulations

Members must comply with all applicable Governmental laws, rules and regulations. Members must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them recognise potential danger areas and to know when to seek advice from the Finance Dept and independent experts. Violations of applicable governmental laws, rules and regulations may subject Members to individual civil or criminal liability as well as disciplinary action by the Company. Such individual violations could also subject the Company to civil and criminal liabilities and/or loss of its business or reputation.

8. Insider Trading

Non-public information, which might influence the market price of Company shares, should be kept in strict confidence until publicly released in accordance with applicable legal requirements and stock exchange regulations. Members shall not derive personal benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company not in public domain and which could constitute as insider information.

9. Gifts and Donations



Under no circumstances should Members accept any offer, payment, favour, special service or treatment, promise to pay or authorisation to pay any money, gift or anything of value from any customer, supplier, agent, contractor, etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud or harm to the Company's reputation.

Gifts given by the Company or received from suppliers, customers, agents, contractors, etc. should be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety. Inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this Code.

ENFORCEMENT OF THE CODE

The Board shall determine appropriate actions to be taken in the event of violations of this Code. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code. In determining what action is appropriate in a particular case, the Board shall take into account all relevant information, including the nature and severity of the violation, whether the violation appears to have been intentional or inadvertent, and whether the individual in question had been advised prior to the violation as to the proper course of action.

WAIVER OF THE CODE

Any waiver of this Code may be made only by the Board.