



## **CODE OF CONDUCT**

### **SUDAL INDUSTRIES LIMITED**

#### **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT**

[As per Companies Act, 2013 and SEBI(Listing Obligation & Disclosure Requirement) Regulations, 2015]

#### **1) INTRODUCTION**

The Board of Directors of **SUDAL INDUSTRIES LIMITED** (“the Company”) has adopted the following Code of Conduct in terms of the provisions of the Companies Act, 2013 and SEBI(Listing Obligation & Disclosure Requirement) Regulations, 2015. This Code of Conduct (hereinafter referred to as “the Code”) shall be called as ‘**Sudal Code of Conduct for Directors and Senior Management.**’ The primary purpose of the Code is to encourage and promote ethical conduct. The adherence to this code is necessary for conducting the business as per the corporate value of the Company.

#### **2) OBJECTIVE:**

This code lays down the guiding principles on which the Directors and members of the Senior Management of the Company shall conduct themselves and discharge their responsibilities towards stakeholders, government and regulatory agencies, customers, suppliers, society at large and all others with whom the Company is connected. The Directors and members of the senior management recognize that they are the trustees and custodian of public money and in order to fulfill their fiduciary obligations and responsibilities, they shall maintain and continue to enjoy the trust and confidence of public at large by rendering their duties in an efficient and transparent manner.

### 3) **APPLICABILITY AND EFFECTIVE DATE**

The Code shall be applicable to:

- Directors of Sudal Industries Limited
- Members of the Senior Management of the Company  
(i.e., one level below the board, including all functional heads)

The code shall come into effect from 1<sup>st</sup> January, 2015.

### 4) **SCOPE**

The Board Members and Senior Management Personnel must act within the authority conferred upon them and in the best interest of the Company and observe the following Code of conduct;

- Honesty & Integrity –

The Directors and Senior Management Personnel shall conduct their activities with honesty, integrity and fairness. They shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. Directors shall act in the best interest of the Company and fulfill the fiduciary obligations.

- Conflict of Interest –

The Directors and Senior Management Personnel shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company.

In case there is likely to be a conflict of interest, he/she should make full disclosures of all facts and circumstances thereof to the Board of Directors and the approval of the Board is required to be obtained.

- Other Directorship –

The Company feels that serving on the Board of Directors of other Competitor companies may raise substantial concern about potential conflict of interest and therefore, all Directors must report / disclose such relationships to the Board from time to time.

- Confidentiality of Information –

Any information concerning the Company's business, its customers, suppliers etc., which is not in the public domain and to which the Directors and Senior Management Personnel have access or possess such information, must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required as a matter of law.

- Gifts/Donations –

Not accept any personal gratification gifts, donations, hospitality and / or entertainment beyond the customary level from existing or potential suppliers, service providers, business partners or other third parties that have business dealings with the company

Not offer company's property or funds as donation to any regulatory agency or its representatives, directly or indirectly, to obtain a favorable performance of official duties.

- Protection of Assets –

Directors and Senior Management Personnel must protect the Company's assets and information and shall not use these for personal use, unless approved by the Board.

- Periodic Review –

Once in every year or upon revision of this code, every Director must accord consent to comply and Senior Management Personnel must give an undertaking for compliance of the same.

New Directors shall accord their consent while joining the Board and New Senior Management Personnel shall give an undertaking at the time when their employment begins.

The previously mentioned consent or undertaking shall be in line with "*Annexure I*" attached herewith.

## **5) DUTIES OF INDEPENDENT DIRECTORS**

The Independent Directors, in addition to the compliance with this Code, shall also comply with and adhere to the Code for Independent Directors framed in accordance with the provisions of the Companies Act, 2013 and forming part of this code.

The Independent Director shall –

- undertake appropriate induction and regular 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;
- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meeting of the Company;
- ensure, where they have concerns about the running of the company or a proposed action, 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;
- keep themselves well informed about the Company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 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;
- ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interest of a person who uses such mechanism are not prejudicially affected on account of such use;
- report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- acting within his authority, assist in protecting the legitimate interest 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.

#### 6) **INSIDER TRADING:**

Insider trading is prohibited by both law as well as by the company policy and the directors and senior management and their 'dependents' shall be governed by the Sudal code of conduct for prevention of insider trading

**7) PLACEMENT OF THE CODE ON WEBSITE**

As required by SEBI(Listing Obligation & Disclosure Requirement) Regulations, 2015 this code and any amendment thereto shall be posted on the website of the Company.

**8) COMPLIANCE OF THE CODE**

Each Director and Senior Management Personnel shall monitor his or her personal compliance with the code. Also in terms of SEBI(Listing Obligation & Disclosure Requirement) Regulations, 2015, all Board members and Senior Management Personnel shall within 3 days of the close of every financial year affirm compliance with the Code. The Annual Compliance Report shall be forwarded to the Compliance Officer of the Company, in the form annexed hereto as “*Annexure II*”.

**9) CONSEQUENCES OF NON – COMPLIANCE OF THIS CODE**

In case of breach of this code by the directors, the same shall be dealt with by the Board of Directors for initiating appropriate action, as deemed necessary. In case of breach of this code by the senior management, the Managing Director shall deal the same.

**10) ACKNOWLEDGEMENT OF RECEIPT OF THE CODE**

All Board Members and senior Management Personnel shall acknowledge the receipt of the Code in the acknowledgement form annexed as “*Annexure I*” indicating that they have received, read and understood, and agreed to comply with the code and send the same to the Compliance Officer.

**11) NO RIGHTS CREATED**

This code of conduct is a statement of certain fundamental principles, values, ethics, policies and procedures that govern the Directors and Senior Management Personnel of the Company’s business. It is not intended to and does not create any rights in any employee, customer, client, supplier, competitor, shareholder or any other person or entity.

**ANNEXURE I**

**SUDAL INDUSTRIES LIMITED**

**CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

Acknowledgement Form

I, ..... have received and read the Company’s “CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL” (“this code”).

I have understood the provisions and polices contained in this code and I agree to comply with is code.

Signature :.....

Named :.....

Designation: .....

Date :.....

Place : .....

**ANNEXURE II**

**SUDAL INDUSTRIES LIMITED**

**CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

Annual Compliance Report

To,  
The Compliance Officer,  
Sudal Industries Limited,  
A-5, MIDC, Ambad Industrial Area,  
Mumbai – Nashik Highway,  
Nashik – 422 010

I, ..... hereby confirm that I have read the Code of Conduct applicable to Directors and Senior Management of the Company and that I have complied with the requirements of this code during the period ..... to.....

Signature :.....

Named :.....

Designation: .....

Date :.....

Place : .....