

CODE OF CONDUCT

Clause 49(ID) of the Listing Agreement stipulates that the Company must have a “Code of Conduct” for its directors and members of its senior management team.

Accordingly, the **Board of Directors** of Simbhaoli Sugars Limited has formulated and laid down the **Code of Conduct** is enumerated below for compliance by the following:

- Key Promoters holding 5% or above equity shares of the Company individually or together with relatives and Companies which are connected to them,
- Managing Director, Independent Directors and Institutional Nominee Directors.
- Core Management Team Members, i.e. Executive Director, Director (Finance) and Company Secretary.
- Functional Departmental Heads at decision-making position as defined in the Annexure ‘A’. (This list shall be modified from time to time)

A personal and individual affirmation of compliance with the principles of the **Code of Conduct** is required to be given by all concerned annually, on which basis the Chairman-cum-Managing Director shall make a declaration to this effect in the annual report of the Company every year. Therefore, all concerned must go through and follow the Code of Conduct in the letter and spirit.

The Board of Directors of the Company has decided that, the following may be enunciated as the basic principles for proposed **Code of Conduct**:-

1. To adhere, follow and promote the Company’s basic philosophy of Corporate Governance-
 - to achieve higher level of transparency, accountability and equity in all spheres of its (and also individual) operations and in all interactions with its stakeholders including shareholders, employees, lenders and the Government.
 - to enhance shareholder value by its operations and actions over a period of time.
2. To prevent misuse of any unpublished share price sensitive information. (Refer Annexure ‘B’).
3. To acquaint with applicable and concerning laws, regulations, rules etc., and to comply with the same in respective fields of activities honestly.

4. To ensure attendance at and provide all requisite, relevant and desired information to the person concerned for Board/Committee meetings.
5. To ensure proper use of whistle blowing mechanism. (Refer Annexure 'C')
6. To be truthful and honest in all the financial transactions with the Company.
7. To enhance capabilities and achieve performance excellence by continuously upgrading/benchmarking with the better standards and working in such manner as in the best interest of the Company
8. To avoid even the appearance of impropriety.
9. To neither seek nor accept any gifts, favour, business courtesies or entertainment without a legitimate business purpose. To fill a declaration with the principal officer if something is being referred.
10. To institutionalize corporate governance as a way of corporate life.
11. To have succession planning at all senior levels and promote the policy of delegation of work and authority to the next in succession.
12. To avoid conflict of personal interest and, instead, provide cooperation, help, courtesies, support inter se.
13. To work for growth, value addition and financial gains for the Company and its shareholders, in particular, and the society at large, in general.
14. To think and act for economic health and growth of the Company.
15. To realize and discharge social responsibility of the Company as a good corporate citizen.

**By Order of the Board of Directors
For Simbhaoli Sugars Limited**

**G S C Rao
Executive Director**

Annexure 'A'

- Heads of the units Simbhaoli Sugar, Chilwaria, Simbhaoli Distillery and Brijnathpur of the Company;
- Heads of the Accounts Departments of above units of the Company;
- People working at the level of General Manager/Profit Center Head or above;
- Heads of the marketing/sales of various product range;
- Deputy/ Assistant Company Secretary

Annexure 'B'**'PRICE SENSITIVE INFORMATION'**

'Price sensitive information' as defined in the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 1992 means any information which relates directly or indirectly to a company and which if published is likely to materially affect the price of securities of company;

Explanation: - The following shall be deemed to be price sensitive information: -

- (i) Periodical financial results of the company;
- (ii) Intended declaration of dividends (both interim and final);
- (iii) Issue of securities or buy-back of securities;
- (iv) Any major expansion plans or execution of new projects;
- (v) Amalgamation, mergers or takeovers;
- (vi) Disposal of the whole or substantial part of the undertaking;
- (vii) Any significant changes in policies, plans or operations of the Company.

WHISTLE BLOWER POLICY

Whistle Blowers play an important role within an organization for exposing and preventing corruption, fraud, irregularities, unethical behavior and violation of its ethical corporate philosophy/code of conduct and it is, therefore, considered expedient to lay down and put in place a Whistle Blowing System. This helps the Management in providing a clean, transparent, honest, responsive and accountable administration and management system.

With this end in view, the Board of Directors of Simbhaoli Sugars Limited has formulated and approved the following **Whistle Blowing System** for convenience and use by the caring, concerned and watchful employees of the Company:-

1. The main **object** of this mechanism is to restore the confidence of investors and other stakeholders by providing effective corporate governance.
2. Board of Directors **believes** that Whistle Blowing employees are ethical and honest people and for them whistle blowing is a way of life.
3. It shall be the duty of the Management to **safeguard** such Whistle Blowers from any harassment, pressure or victimization that they may be subjected to, by ensuring their anonymity.
4. Employees are **encouraged** to come forward and blow whistle for any irregularity that they see or observe around, which is harmful for the interest of the Company.
5. The employees can **report** irregularities in the Company in the form of a complaint letter in a sealed cover addressed to the Executive Director of the Company or their respective Unit Heads.
6. The complainant employee has to **give** his name, designation, and department with the name of its functional head, address in the beginning or at the end of complaint or in an attached letter.
7. The complaint should be **specific and verifiable** and accompanied with all supporting documents relevant to the complaint. It should also disclose the source of information. Complaints should not be misunderstood or used for making suggestions.

8. **No action** will be taken on anonymous or personal complaints or grievances.
9. **No complainant** shall make any **complaint public** or disclosed to anybody else, except the addressee.
10. The unit head shall forward the complaints in original with comments thereon in sealed cover envelop to the Executive Director.
10. The Executive Director shall discard the **frivolous**, non-substantive, ill-conceived or dishonest complaints and may initiate disciplinary action against complainant for making such complaints.
11. The **genuine complaints**, duly scrutinize by the Executive Director shall be placed before the meeting of the Audit Committee for its review and consideration.
12. The Audit Committee shall thereafter **probe** into the complaints, wherever necessary or it considers expedient.
13. After full enquiry, **remedial or preventive measures** will be taken by the Audit Committee to prevent irregularities etc., and the guilty, if any, will be suitably **punished**. The complainant shall also be appropriately **rewarded** with promotion, increment or appreciation. Such of the final matters may also be brought to the notice of the Board of Directors, as the Chairman of the Board of Directors considers fit and worthy of it.
14. The Board of Directors believes that this whistle blowing system will be followed to put the Company's and its stakeholders, concern and interest forward and not to air personal enmity or grievances against anybody.
15. All complaints shall be disposed off swiftly and quickly and end in some logical conclusion.

For the sake of information of all concerned and wide publicity, the above mechanism is being put on all notice boards of the Company at its Corporate and Registered Office and Works.