

CODE OF CONDUCT

This Code of Conduct (hereinafter referred to as "the Code") has been framed and adopted by Simbhaoli Sugars Limited (hereinafter referred to as 'SSL' or the 'Company') in compliance with the provisions of the Companies Act, 2013 and/or rules made there-under read with Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges.

This Code is intended to provide guidance to the Board of Directors and Senior Management Personnel and senior officials and senior officials to manage the affairs of the Company in an ethical and transparent manner. The purpose of this Code is to recognize and deal with ethical issues and to provide mechanisms to report unethical conduct of the directors, key managerial personnel and senior officers of the Company to develop a culture of honesty and accountability.

This Code shall come into force with effect from the date of approval by the Board and simultaneously it will be uploaded on the website of the Company at [www.simbhaolisugars.com](http://www.simbhaolisugars.com). The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time and all such amendments/ modifications shall take effect from the date stated therein.

**1. DEFINITIONS & INTERPRETATION**

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

"Act" means the Companies Act, 2013 and rules made thereunder as amended from time to time

"Company" shall mean Simbhaoli Sugars Limited having its registered office situated at Simbhaoli - 245207, Distt- Hapur.

"Board Members" shall mean the Directors on the Board of the Company.

"Relative" shall mean 'relative' as defined in Clause 77 of Section 2 and read with Rule 4 of Chapter I Companies (Specification of Definitions Details) Rules, 2014 of the Companies Act, 2013 as follows:



- a. Members of a Hindu undivided family;
- b. Husband or wife;
- c. Father (including step-father);
- d. Mother (including step-mother);
- e. Son (including step-son);
- f. Son's wife;
- g. Daughter;
- h. Daughter's husband;
- i. Brother (including step-brother); or
- j. Sister (including step-sister).

**"Senior Management Personnel"** shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise of all members of management one level below the executive directors, including viz. Managers, CFO, all Functional Heads, all Unit Heads, Presidents, Joint Presidents, Company Secretary and all other executives occupying the position similar or equivalent rank in the Company.

**"Subsidiary/associate companies"** shall mean the companies whose account are being consolidated with the accounts of the Simbhaoli Sugars Limited under the provisions of the Companies Act, 2013, Listing Agreement and other applicable laws.

## 2. APPLICABILITY

The Code applies to the Board Members including independent and nominee directors and Senior Management Personnel of the Company and/or its subsidiary/associated companies to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct to the management for appropriate actions.

The provisions of this policy shall also apply to the subsidiary/associated companies of Simbhaoli Sugars Limited mutatis mutandis unless specifically excluded by the Board of the respective companies.

## 3. CODE OF CONDUCT



The Board Members and Senior Management Personnel shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement.

The Board Members and the Senior Management Personnel of the Company:

1. shall maintain and help the Company in maintaining highest degree of Corporate Governance practices.
2. shall act in utmost good faith and exercise due care, diligence and integrity in performing their office duties.
3. shall not involve in taking any decision on a subject matter in which a conflict of interest arises or which, in his opinion, is likely to arise.
4. shall not utilize bribery or corruption in conducting the Company's business. No director or employee shall offer or provide either directly or indirectly any undue pecuniary or other advantages for the purpose of obtaining, retaining, directing or securing any improper business advantage.
5. shall not indulge themselves in Insider Trading and shall comply with the Insider Trading Code and Insider Trading Regulations as laid down by SEBI and the Company.
6. shall ensure that they shall protect the Company's assets and properties including physical assets, information and intellectual rights and not use the same for their personal gain.
7. shall not seek or accept any compensation in any form, directly or indirectly, for services performed for the Company from any source other than the Company.
8. shall not, without the prior approval of the Board or Management of the Company, as the case may be, accepts employment or a position of responsibility with any other organization 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.
9. shall not receive any gift, payments or favor in whatsoever manner from Company's business associates, which can be perceived as being given to gain, favor or dealing with the Company and shall ensure that the Company's interests will never compromised in any circumstances.
10. shall maintain confidentiality of information entrusted by the Company or acquired during the performance of their duties and shall not use it for personal gain or advantage. No Board Members and Senior Management Personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specifically authorized.



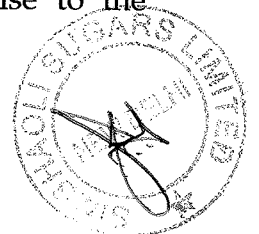
However, that Board Members and Senior Management Personnel shall be free to disclose such information as is part of the public domain at the time of disclosure/ authorized or required to be disclosed pursuant to a decision of the Board/ required to be disclosed in accordance with applicable laws, rules, regulations or guidelines or to any authority.

11. shall avoid any dealings with a contractor or supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company.
12. shall avoid conducting business with (a) a relative (b) a Private Limited Company in which he or his relative is a Member or a Director (c) a Public Limited Company in which he or his relative holds 2% or more shares or voting right and (d) with a firm in which the relative is a partner, except with the prior approval of the Board, and shall make proper disclosure of related party transactions to the Board of Directors, the Chairman and/or the Managing Directors of the Company or the Competent Authority as nominated by the Board from time to time under the provisions of the Accounting Standards issued by the Institute of Chartered Accountants of India.
13. shall not commit any offences involving moral turpitude or any act contrary to law or opposed to the public policy resulting in a conviction.

#### 4. ROLE AND FUNCTION OF INDEPENDENT DIRECTORS

The independent directors:

1. shall 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. shall bring an objective view in the evaluation of the performance of Board of Directors and Senior Management of the Company;
3. shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. shall satisfy themselves on the integrity of financial information and the financial controls and the systems of risk management;
5. shall help the Chairman and Managing Directors of the Company to safeguard the interests of all stakeholders, particularly the minority shareholders;
6. shall balance the conflicting interest of the stakeholders and advise to the management to take appropriate decisions;



7. shall 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 of the Company;
8. shall moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

## 5. DUTIES OF INDEPENDENT DIRECTORS

The independent directors:

1. shall undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts whenever required for clarifications if any;
3. shall strive to attend all meetings of the Board of Directors and/or the committees thereof;
4. shall participate constructively and actively in the committees of the Board in which they are members;
5. shall strive to attend the general meetings of the Company;
6. shall 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 meetings;
7. shall keep themselves well informed about the Company and the external environment in which it operates;
8. shall not unfairly obstruct the functioning of the Board or committee thereof;
9. shall 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. shall 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. shall report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. shall acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;



13. shall 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 to be disclosed under the provisions of applicable laws.

## 6. DISCLOSURE OF INFORMATION

Members of the Board and key executives should be required to disclose to the Board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.

## 7. COMMUNICATION OF VIOLATIONS

Directors shall communicate any suspected violations of this Code promptly to the Chairman of the Company. Senior Management may also communicate any suspected violation of this code to the Managing Directors who in turn shall communicate it to the Chairman of the Company. Violations will be investigated by the Board or by persons designated by the Board, and appropriate actions will be taken in the event of any violations of the Code.

## 8. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE

In case of breach of this Code, the same shall be considered by the Board of Directors for initiating appropriate actions, as deemed necessary. Any waiver of this Code may be made only by the Chairman in consultation with the Board of Directors of the Company.

## 9. ANNUAL REPORTING

All Board Members and Senior Management Personnel shall affirm compliance of this Code within 30 days of close of every financial year. The Annual Report of the Company shall contain a declaration to this effect signed by the Chairman and Managing Directors of the Company. The Annual Compliance Report shall be forwarded to the Company Secretary. If any Director/Senior Management Personnel leaves the Company any time during a financial year, he shall send a communication to the Company Secretary affirming compliance of the Code till the date of his association with Company.



The Chairman, Managing Directors, Whole Time Directors or any other Executive of the Company as may be authorized by the Board from time to time shall certify that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of this Code.


#### 10. COMPLIANCE


This code shall be forwarded to All Board Members and Senior Management Personnel who shall abide with the provisions and shall submit periodical compliance report to the Company Secretary of the Company from time to time as may be specified by the Company Secretary department.

This policy has been issued under the authority of the Board of Directors of Simbhaoli Sugars Limited and shall remain in force unless Board resolve otherwise or issue a cancellation or modification thereof.

Date: Nov 14, 2014

Place New Delhi

  
Chairman



To,  
Chairman/ Company Secretary  
Simbhaoli Sugars Limited  
Simbhaoli -245207  
Distt Hapur

**Re: Code of Conduct -Compliance Certificate**

We, the undersigned hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for board members and senior management personnel during the three months/quarter ending \_\_\_\_\_, 20\_\_\_. We also certify that in respect of all the transactions with related parties, as covered in AS-18 issued by ICAI, at the end of every financial year and at the time of any change have been reported to competent person and recorded in the books of account on periodical basis:

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof, of the company:

We also undertake to inform the Board, in case of execution of a transaction on which the provisions of the Code is applicable, they shall be reported to you immediately on execution without fail.

Sign: \_\_\_\_\_

Name: \_\_\_\_\_

