

## **CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

### **1. APPLICABILITY**

- (a) This code of conduct is applicable to all the members of the Board and Senior Management of the Company.

For this purpose, the term "Senior Management" shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional head.

- (b) This Code shall be effective from 12th August, 2014.

### **2. CODE OF CONDUCT**

- (a) This "Code of Conduct" (hereinafter referred to as "Code") is formulated in line with the requirement of Circular No. SEBI/CFD/Policy/2/2014 dated 17th April, 2014 issued by the Securities and Exchange Board of India (SEBI) read with Clause 49 (Corporate Governance) of Listing Agreement with Stock Exchanges and Schedule IV of Companies Act, 2013.
- (b) The objective of the Code is to maintain standards of business conduct of Menamani Industries Limited (MIL) and ensure compliance with legal requirements.
- (c) The purpose of Code of Conduct is to adopt the standards and values which can enhance the value of the organization and set the standards for business transactions and also deter wrongdoing in all business related activities.
- (d) The matters covered under this Code are of utmost importance to the Company, shareholders and business partners. Further, the Code is essential for conduct of our business in accordance with our stated values.
- (e) The Code is applicable to the following persons (hereinafter referred to as "Officer" or Officers:
- All members of the Board of the Company
  - All members of the management one level below the Executive Directors, including all functional heads.
- (f) This code of conduct is critical to our business. Accordingly, Officers are expected to read and understand this Code, uphold these standards in day to day activities and comply with all applicable laws, rules and regulations and procedures adopted by the Company that govern the conduct of its employees.
- (g) As the principles described in this Code are general in nature, Officers should also review the Company's other applicable policies and procedures for more specific instruction.

- (h) Nothing in this Code, in any Company policies and procedures, or in other related communications (verbal or written), creates or implies an employment contract or term of employment.
- (i) Officers should sign the acknowledgement form at the end of this Code and return the form to the Company Secretary of the Company indicating that they have received, read and understood, and agree to comply with the Code. The signed acknowledgement form will be located in each Officer's personnel files. Each year as a part of their annual review, Officers will be asked to sign an acknowledgement indicating their continued understanding of the Code.

### 3. HONEST AND ETHICAL CONDUCT

The Code expects all Officers to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, at offsite locations where the Company's business is being conducted, at sponsored business and social events or at any other place where Officers are representing the Company.

Honest conduct under the Code means conduct that is free from fraud or deception. The ethical conduct under the Code means conduct that is in accordance with the accepted professional standards. The ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

Wherever an Officer is unsure about the appropriateness of an event or action the Officer should seek assistance in interpreting the requirements of the Code by contacting Company Secretary.

### 4. CONFLICTS OF INTEREST

- An Officer's duty to the Company demands that he or she avoids and discloses actual and apparent conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interest or benefits of the Company.
  - (a) **Employment/ outside employment:** In consideration of employment with the Company, Officers are expected to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or it otherwise in conflict with or prejudicial to the Company.
  - (b) **Outside Directorships:** It is a conflict of interest to serve as Director of any Company that competes with the Company Officer's must first obtain approval from the Company's Audit Committee before accepting a Directorship.
  - (c) **Business Interests:** If an Officer is considering investing in any customer, supplier, developer or competitor of the Company, he or she must first take care to ensure that these investments do not compromise on their responsibilities to the Company. Our Policy requires that Officers first obtain approval from the Company's Audit

Committee before making such an investment. Many factors should be considered in determining whether a conflicts exists, including the size and nature of investment, the Officers ability to influence the Company's decisions; his or her access to confidential information of the Company or the other Company and the nature of relationship between the Company and the other Company.

- (d) **Related Parties:** As a general rule, Officers should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. For the purpose of this code "Relatives" include spouse, father, mother, brother, sister, son and daughter. Further the Company prohibits the employment of such individuals in positions that have a financial dependence or influence (e.g. an auditing or control relationship, or supervisory *j* subordinate relationship.)
- (e) **Payments or gifts from others:** Under no circumstances any Officers accept any offer, payment, promise to pay, authorization to pay any money, gift or anything of value from customers, vendors, consultants, 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.
- (f) **Corporate Opportunities:** Officers may not exploit for their own personal gain, opportunities that are discovered through the use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and Board declines to pursue such opportunity.
- (g) **Other situations:** Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If proposed transactions or situation raises any questions or doubts, Officers must consult the Secretarial Department.

## **5. COMPLIANCE WITH GOVERNMENTAL LAWS, RULES AND REGULATIONS**

- (a) Officers must comply with all applicable governmental laws, rules and regulations.
- (b) Officers must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers and to know when to seek advice from the Company Secretary.
- (c) Violations of applicable governmental laws, rules and regulations may subject Officers to individual criminal or civil liability as well as to disciplinary action by the Company. Such individual violations may also subject to the Company to civil or criminal liability or the loss of business.

## **6. VIOLATIONS OF THE CODE**

- (a) The Code of Conduct is a part of an Officer's job and of his or her ethical responsibility is to help enforce this Code. Officers should be alert to possible violations and report this to the Company Secretary.
- (b) Officers must cooperate in any internal or external investigations of possible violations, reprisal, threat, retribution or retaliation against any person who has in good faith reported a violation or a suspected violation of law, this code or other Company's policy or against any person who is assisting in any investigation or process with respect to such a violation is prohibited.
- (c) Actual violations of law, this Code, or other Company's policies or procedures as laid down in the Human Resources Policy and Procedures Manual as amended from time to time should be promptly reported to the Company Secretary.
- (d) The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company. Disciplinary actions may include immediate termination of employment at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated the Company will co-operate fully with the appropriate authorities.

## **7. WAIVERS AND AMENDMENT OF THE CODE**

- (a) The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Code is subject to modification.
- (b) Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board of Directors and promptly disclosed on the Company's website and other regulatory authorities which may be required as per applicable rules and regulations.

## **8. CERTIFICATION OF COMPLIANCE OF CODE OF CONDUCT**

All Officers shall affirm compliance with the Code on an annual basis. The Annual Report of the Company shall contain a declaration to this effect signed by the Managing Director or Chief Executive Officer.

## **9. SPECIAL CLAUSE FOR INDEPENDENT DIRECTORS**

In line with the requirement of conditions of Corporate Governance, the Independent Directors are required to perform following duties.

The independent directors shall-

- ❖ undertake appropriate induction and regularly 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 meetings of the company;
- ❖ 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 concern's 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 interests 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 interests 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.

**10. ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT FOR ALL THE MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

- (a) I have received and read the Company's Code of Conduct for all the members of the Board and Senior Management Personnel (the "Code"). I understand the standards and

policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

- (b) If I have any questions concerning the meaning or application of the Code, any Company's Policies or the legal and regulatory requirements applicable to my job, I know I can consult the Secretarial Department and that my questions or reports to these sources will be maintained in confidence.
- (c) Further, I undertake to provide following Affirmation on an Annual basis to the Company within 30 days from the end of 31st March every year.

## **AFFIRMATION**

(By Board Members/Senior Management of the Company on Annual Basis by 30th April of every year)

I, \_\_\_\_\_Name \_\_\_\_\_, Designation \_\_\_\_\_, having read and understood the Code of Business Conduct and ethics for Board Members and Senior Management, hereby solemnly affirm that I have complied with and has not violated any of the provisions of the Code during the year ended 31<sup>st</sup> March \_\_\_\_\_ .

Signature \_\_\_\_\_

Name:

Designation:

Email ID:

Mobile Number:

Place:

Date:

Note: Please sign and return this form to the Company Secretary.