

Code of Conduct

Code of Conduct for Board of Directors and Senior Management

PREAMBLE

The Company had framed Code of conduct pursuant to the amendment in Clause 49 of the Listing Agreement (Ref. SEBI Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29.10.2004) the CODE OF CONDUCT FOR BOARD OF DIRECTORS & SENIOR MANAGEMENT (hereinafter called the “CODE”).

Pursuant to the powers conferred under Securities and Exchange Board of India Act, 1992 and Securities Contracts Regulation Act, 1956, SEBI has vide its Notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015 promulgated Listing Regulations known as Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, it shall wholly supersede the old clauses of Listing Agreement.

In compliance with the aforesaid requirement, the Board of Directors in its meeting held on 30th January, 2016, approved the replacement of the Code of Conduct framed under old Clause 49(1) (D) of Listing Agreement in pursuance with Regulation 17(5) read with Regulation 46(2) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). It stipulates that the Board of Directors of every listed company shall lay down a code of conduct for all Board members and Senior Management personnel of the Company.

As there is no change in the framework of the code of conduct, the contents thereof shall remain the same to the extent of amendments introduced. Consequently, any future amendments / modifications shall take effect from the date stated therein.

The code of conduct shall be posted on the website of the Company.

This Code shall be applicable to all the Directors and Senior Managers (i.e. Division Head/ G.M. & above) level of the Company.

All Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders / stakeholders.

With a view to maintain the high standards that the company requires the CODE should be observed in all activities of the board. The Company appoints the Company Secretary as a Compliance Officer for the purposes of the Code, who will be available to directors and senior management to answer questions and to help them comply with the Code.

1. Honesty & Integrity

All Directors and Senior Managers shall conduct their activities, on behalf of the company

and on their personal behalf, with honesty, integrity and fairness. All Directors and Senior Managers shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. Directors and Senior Managers shall act in the best interests of the Company and fulfill the fiduciary obligations.

2. **Conflict of Interest**

Directors and Senior Managers shall not engage in any business, relationship or activity, which may be in conflict of interest of the COMPANY. Conflicts can arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Set forth, are some of the common circumstances that may lead to a conflict of interest, actual or potential –

- Directors should not engage in any activity / employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.
- Directors and their immediate families should not invest in a customer, supplier or competitor of the Company and generally refrain from investments that compromise their responsibility to the Company.
- Directors should avoid conducting Company business with a relative or with a Firm / Company in which a relative / related party is associated in any significant role.
- If such related party transaction is unavoidable, it must be fully disclosed to the Board or to the Compliance Officer of the Company, notwithstanding that the same may technically not be a disclosure required within the meaning of the Companies Act.

3. **Other Directorships**

The COMPANY feels that serving on the Board of Directors of other Companies may raise substantial concerns about potential conflict of interest. And therefore, all Directors must report / disclose such relationships to the Board within the prescribed time. It is felt that service on the Board of Directors of a Competitor is not in the interest of the Company.

4. **Concurrent Employment**

In consideration of Senior Managers employment with the Company, he/she is expected to devote his/her full attention to the business interests of the Company. He/she is prohibited from engaging in any activity (unless disclosed to the Board or Compliance Officer and consent thereof is obtained from the Legal Department) that interferes with his/her performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. Our policies prohibit any employee from accepting simultaneous employment with a Company supplier, customer or competitor, or from taking part in any activity that enhances or supports a competitor's position. Additionally, Senior Managers must disclose to the Company any interest that he/she may have that may conflict with the business of the Company. If he/she have any questions on this

requirement, he/she should contact the Legal Department. Any Senior Manager of Batliboi Ltd. shall not, without the prior approval of the Managing Director of the Company, accept employment or a position of responsibility (such as a Consultant or a Director) with any other Company, nor provide 'freelance' services to anyone. In the case of a whole-time Director or the Managing Director, such prior approval must be obtained from the Board of Directors of the Company.

5. **Compliance**

Directors and Senior Managers are required to comply with all the applicable laws, rules and regulations, both in letter and in spirit. In order to assist the company in promoting lawful and ethical behaviour, Directors must report any possible violation of law, rules, regulation or the Code of Conduct to the Compliance Officer.

6. **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 Director or Senior Manager has access or possesses 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. No Director or Senior Manager shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized or required under law.

7. **Insider Trading**

Any Director or Senior Manager of the Company shall not derive 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 therefore constitutes insider information. All Directors and Senior Managers will comply with insider trading guidelines as issued by SEBI and prevention of Insider Trading Code as issued by the Company.

8. **Special Consideration, Gifts, Gratuities, Fees & other Payments**

It is inappropriate for a Director, or any Member of a Director's immediate family, or any Senior Manager or any Member of a Senior Manager's immediate family, to obtain special consideration or benefits in dealings with third parties as a result of such person's status as a Director or Senior Manager of Batliboi. Accordingly, each Director/ Senior Manager must ensure that dealings with third parties with whom Batliboi does business are concluded on terms that would generally be available to persons without the status of Director or Director's family Member or Senior Manager or Senior Manager's family Member.

Directors/ Senior Managers should refrain from any act that has the appearance of being a bribe, kickback or other illegal or improper payment, whether direct or indirect, to any person or entity for the purposes of (i) obtaining, retaining or directing business or (ii) affecting the conditions of doing business. Moreover, Directors/ Senior Managers must

report any offer of a bribe, kickback or illegal and improper payment that they receive or learn of to the Compliance Officer.

No Director/ Senior Managers or member of a Director's or Senior Manager's immediate family should accept any gift, gratuity, fee or other payment of any kind if it is known or suspected that its purpose is to influence a transaction or such item is excessive or might cause embarrassment if its acceptance became known. Similarly, no Director/ Senior Manager or Member of a Director's/ Senior Manager's immediate family should offer any gift, gratuity, fee or other payment of any kind to a customer, potential customer, or related party of Batliboi for the purpose of, or appearing to have the purpose of, influencing any transaction between such entity and any of the Batliboi Group of Companies. Any questions regarding the acceptability of an invitation of gift should be referred to the Compliance Officer.

9. Protection of Assets

Directors and Senior Managers must protect the company's assets and information and may not use these for personal use, unless approved by the Board.

10. Company Funds

Every Director / Senior Manager is personally responsible for all Company funds over which he or she exercises control. Company agents and contractors should not be allowed to exercise control over Company funds. Company funds must be used only for Company business purposes. Directors/ Senior Managers, agents and contractors must not use Company funds for any personal purpose.

11. Contractual Obligations

Besides the adherence to the above Code, the Whole – time Directors and Senior Managers shall also be required to abide by their contractual obligations as per their respective Appointment Letters/ Contracts / Agreements with the Company.

12. Duties of Director

Directors have to perform following duties:

1. A Director of a Company shall act in accordance with the articles of the Company.
2. A Director of a Company shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
3. A Director of a Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

4. A Director of a Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
5. A Director of a Company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such Director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
6. A Director of a Company shall not assign his office and any assignment so made shall be void.
7. If a Director of the Company contravenes the provisions of section 166 of the Companies Act, 2013 then such Director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

Independent directors who shall in addition to above duties shall also perform the below mentioned duties:

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) 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;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) 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 Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- (9) 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) 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) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) 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.