

HIND INDUSTRIES LIMITED

CODE OF CONDUCT AND BUSINESS ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

Introduction

Code of Conduct and Ethics helps in ensuring compliance with all applicable laws, Rules, Regulations and statutory requirements and highest standards of business conduct. The Directors, Senior Management Personnel of the Company are expected to read and understand this Code of Conduct and Business Ethics. Corporate Directives of **HIND INDUSTRIES LIMITED (HIL)** uphold these standards in day-to-day activities, comply with all the applicable Laws, Rules and Regulations and policies and procedures and ensures that all the persons dealing with the Company are aware of, understand and adhere to these standards.

Preamble

This Code of Conduct (hereinafter referred as the “Code”) has been adopted by the Board of Directors of the Company as a set of standards, values and guidelines for Directors and Senior Management Personnel of the Company, so as to promote ethical business behaviour and provide guidance to help them recognize and deal with ethical issues in pursuit of Company’s goals and objectives from time to time.

The Code is not exhaustive and does not cover every issue that may arise or every situation, where ethical decisions must be made, rather it sets forth broad guiding principles to deal with them.

We are committed to continuously review and update our policies and procedures, therefore, this code is subject to amendments or modifications from time to time. This code of business conduct and ethics supersedes all other such codes, policies, procedures, instructions, practices, rules, written or verbal representations, to the extent, they are inconsistent.

Applicability

This Code of Conduct is applicable to all:

- Directors;
- Functional Heads;
- Senior Executives;
- any other employee or officer of the Company, who has the opportunity to materially influence the integrity, strategy and operation of the business and financial performance of the Company.

The Code shall come into effect from the 1st day of January, 2006 and each and every person to whom the provisions of this Code extends or applies shall sign the acknowledgement form at the end of this Code and return the same as a token of having received, read and understood and having agreed to comply and adhere to the provisions of this Code.

As required under the Listing Agreement, each year as part of annual review, all the officers to whom this code applies, would be required to sign an acknowledgement indicating their continued adherence to the provisions of this Code.

1) Honesty & Integrity

The Directors and the Senior Management of the Company shall act and conduct their activities on behalf of the Company and on their personal behalf in a manner that HIL can maintain high standards of integrity, promptitude and fairness in the conduct of all its business. The Directors and the Senior Management will act in good faith, with competence and diligence, without allowing their independent judgment to be subordinated.

2) Due Diligence

The Directors and the Senior Management must act within the bounds of authority conferred upon them with proper care and due diligence and with a duty to make and enact informed decisions and policies in the best interest of the Company and its shareholders/stakeholders. Each individual of HIL has to understand and follow the track, on which he has to go and contribute in achieving the mission/vision of HIL.

3) Legal Compliances

The Company is committed to conduct its business operations with full integrity and ensure compliance of all applicable laws, Rules, regulations, statutory and regulatory requirements. Accordingly, no officer or Director of the Company shall commit an illegal or unethical act or instruct others to do so for any reason.

4) Other Directorships

The Company feels that serving on the Board of Directors of other Companies may raise substantial concern about potential conflict of interest. And, therefore, all the Directors must report/disclose such relationship to the Company on an annual basis. It is felt that service on the Board of a direct competitor is not in the interest of the Company.

5) Conflict of Interest

All the persons to whom this Code applies shall conduct themselves in an honest and ethical manner and act in the best interest of the Company and shall endeavour to avoid actual or apparent conflict of interest with that of the Company in personal and professional relationships.

Generally, a conflict of interest occurs when a Director's personal interest interferes or has the potential to interfere or appears to interfere materially with the interests or business of the Company or the ability of the Director to carry out his or her duties and responsibilities objectively and effectively.

Although it would not be possible to visualize and enumerate here each and every situation in which a conflict of interest may arise, the following situations illustrate, where conflict of interest arises:

- Working, in any capacity, for a competitor, customer, supplier or other third party while employed by the Company.
- Accepting gifts of more than modest value or receiving personal and exclusive discounts (if such discounts are not generally offered to the public) or other benefits as a result of the position in the Company from a competitor, customer or supplier.
- Having an interest in a transaction involving the Company, a competitor, customer or supplier (other than as an employee, officer or director of the Bank and not including routine investments in publicly traded companies).
- Receiving a loan or guarantee or an obligation as a result of the position with the Company.
- Directing business to a supplier owned or managed by, or which employs a relative or a friend.

In the event of an actual or apparent conflict of interest arising between the personal and professional relationship or activities of an officer or director, then such officer or director is required to handle such conflict of interest in an ethical manner in accordance with the provisions of this Code.

6) Corporate Opportunities

In carrying out their duties and responsibilities, the Directors and officers to whom this Code applies, should endeavour to advance the legitimate interests of the Company, when the opportunity to do so arises. Accordingly, they should avoid: (a) taking for themselves personally, the opportunities that are discovered in carrying out their duties and responsibilities to the Company; (b) using Company's property or information, or their position for personal gain; and (c) competing with the Company, in each of the foregoing cases, to the material detriment of the Company.

7) Fair Dealing

Each person to whom this Code applies shall deal fairly with customers, suppliers, competitors, the public and one another at all times and in accordance with ethical business practices. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. No payment in any form shall be made directly or indirectly to or for anyone for the purpose of obtaining or retaining business or obtaining any other favourable action.

Occasional business gifts to and entertainment of non-employees in connection with business discussions or the development of business relationships are generally deemed appropriate in the conduct of the Company's business. However, extending of such gifts should be infrequent and their value should be modest. Gifts or entertainment in any form that would result in a feeling or expectation of personal obligation should not be extended or accepted.

8) Confidentiality of Information

All persons to whom this Code applies should observe the confidentiality of information that they acquire in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated. Confidential information includes, but is not limited to, all non-public information that might be of use to competitors or harmful to the Company or its customers, if disclosed. Of special sensitivity is financial information, which should under all circumstances be considered confidential.

9) Prevention of Insider Trading

Using non-public information to trade in securities of the Company or providing a family member, friend or any other person with a "tip" is illegal. All non-public information should be considered inside information and should never be used for personal gain.

Every person to whom this Code applies has to follow the guidelines of SEBI for Prevention of Insider Trading, the copies of which have been circulated/distributed to all applicable officers and directors of the Company. Accordingly, all the officers and directors shall continue to adhere and follow these guidelines, as amended by SEBI from time to time.

10) Protection and Proper Use of Company's Assets

It is the duty and responsibility of each person to whom the provisions of this Code extend, to protect Company's assets and resources from any loss, theft or misuse. Any suspected loss, misuse or theft should be promptly brought to the notice of the higher management for taking appropriate action. The Company's assets and resources shall be applied and used only for the legitimate business purposes of the Company.

11) Compliance with this Code and Reporting of any illegal or unethical behaviour

It is the responsibility of each officer and director to whom this Code applies to strictly adhere and comply with the guiding principles and provisions contained herein and to report to the appropriate higher authorities, Audit Committee or Board of Directors, as the case may be, as and when any instance of violation of laws, rules, regulations or unethical conduct is noticed.

Every person must co-operate in any internal or external investigations of the possible violations. Reprisal, threats, retribution or retaliation against any person, who has in good faith reported a violation, of this code of Business Conduct or other Company policies or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

Violations of law, Code of conduct or other policies or procedures of the Company should be reported to the Legal Department of the Company. The aforesaid issues/concerns can be mailed to the Company at info@hind.in or reported anonymously to the Company's Legal Department.

12) Periodic Review

Once in a year or upon revision of this code, which ever is earlier, every Director and member of Senior management must acknowledge and execute an undertaking to comply with the same. New Directors inducted to the Board will be required to sign the aforesaid deed at the time of their appointment.