



SRIKALAHASTHI PIPES LIMITED

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

I. INTRODUCTION

This Code of Conduct has been adopted by the Board of Directors of Srikalahasthi Pipes Limited for its members and the Senior executives one level below, the Directors, including all functional heads (hereinafter referred to as “Specified employee?”.

There are certain clauses of the Code, which are meant for Directors only such as attending meetings of the Board and Committee thereof. The Specified employees need to ignore such clauses.

The principal duty of the Board of Directors, along with management, is to ensure that the Company is well managed in the interests of its shareholders. The Board of Directors plays the central role in the Company's governance. It is the Company's decision-making authority on all matters except those reserved to shareholders or delegated to the management. The Board of Directors is not expected to assume an active role in the day-to- day management of the Company.

II. GUIDELINES FOR CONDUCT

Each director and Specified Employee seek to use due care in the performance of his/her duties, be loyal to the Company, act in good faith and in a manner such Director and Specified employee reasonably believes to be not opposed to the best interests of the Company. A Director and Specified employee should seek to also: -

- Make reasonable efforts to attend Board and committee meetings;
- Dedicate time and attention to the Company;
- Comply with all applicable laws, regulations, confidentiality obligations and corporate policies of the Company; and
- Be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of Directors.

III. CORPORATE BUSINESS OPPORTUNITIES

In carrying out their duties and responsibilities, Directors and Specified employees should avoid:

- Appropriating corporate business opportunities for themselves that are discovered through the use of Company property or information or their position as Directors and Specified employees;
- Using Company property or information, or their position as Director and Specified employees, for personal gain; and
- Competing with the Company.

A corporate business opportunity is an opportunity

- 1) which is in the Company's line of business or proposed expansion or diversification,
- 2) which the Company is financially able to undertake and
- 3) which may be of interest to the Company.

A Director and Specified employee, who learns of such a corporate business opportunity and who wishes to avail of, it should disclose such opportunity to the Company's Board of Directors. If the Board of Directors determines that the Company does not have an actual or expected interest in such opportunity, then, and only then, may the Director and Specified employee avail of it, provided that the Director and Specified employee has not wrongfully utilized the Company's resources in order to acquire such opportunity.

IV. CONFLICTS OF INTEREST

- Each Director and Specified employee should endeavor to avoid having his or her private interests interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively.
- They should avoid receiving, or permitting members of their immediate family to receive, improper personal benefits from the Company, including loans from or guarantees of obligations by the Company, except as may be provided in their employment contract.
- They should make a full disclosure to the entire Board of any transaction or relationship that such a Director and Specified employee reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorization to pursue such transactions or relationships.

V. COMPANY PROPERTY

In carrying out their duties and responsibilities, Directors and Specified employees should endeavor to ensure that management is causing the Company's assets, proprietary information and resources to be used by the Company and its employees only for legitimate business purposes of the Company.

VI. CONFIDENTIAL INFORMATION

Director and Specified employees should maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain.

The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of any Director and Specified employees or anyone other than the Company. These obligations apply not only during a Director's and Specified employee's term, but thereafter as well.

VII. FAIR DEALING

In carrying out their duties and responsibilities, Director and Specified employees should endeavor to deal fairly, and should promote fair dealing by the Company, its employees and agents, with customers, suppliers and employees.

Director and Specified employees should not seek to take unfair advantage of the Company through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing.

VIII. COMPLIANCE WITH LAWS AND REGULATIONS

In carrying out their duties and responsibilities, Directors and Specified employees should comply, and endeavor to ensure that the management is causing the Company to comply, with applicable laws, rules and regulations. In addition, if any Director and Specified employee becomes aware of any information that he or she believes constitutes evidence of a material violation of any securities or other laws, rules or regulations applicable to the Company or the operation of its business, by the Company, any employee or another Director and Specified employee, then such Director and Specified employee should bring such information to the attention of the Chairman of the Audit Committee.

IX. INSIDER TRADING

Director and Specified employees should observe all applicable laws and regulations including the 'LIL code of conduct for prevention of Insider Trading' as applicable to them with respect to the purchase and sale of the Company's securities.

It is the responsibility of each Director and Specified employee to become familiar with and understand these laws, regulations, policies and codes and should seek further explanations and advice concerning their interpretation, if required.

Any waiver of or amendments to the Company's policies or Codes may be made only by the Company's Board of Directors and will be disclosed promptly as required by applicable laws and regulations including the rules of any exchange on which the Company's securities are listed or traded.

Director and Specified employees should direct questions regarding the application or interpretation of these guidelines to the Company Secretary/ Compliance Officer.

X. ENCOURAGING THE REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

Director and Specified employees should endeavor to ensure that management is causing the Company to promote ethical behavior and to encourage employees to report evidence of illegal or unethical behavior to appropriate Company personnel.

Director and Specified employees should endeavor to ensure that the Company will not allow retaliation against any employee who makes a good faith report about a possible violation of the Company's Code of Conduct.

XI. NON-COMPLIANCE

Suspected violations of this Code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations should be appropriately investigated.

A Director and Specified employees charged with a violation of this Code should not participate in or vote on the matter in the meeting of a Committee or the Board concerning his/her alleged violation, but may be present at a meeting of the Board or of a Committee convened for that purpose.

Any waiver of this Director and Specified employees' Code must be approved by the Board of Directors and publicly disclosed if required by any applicable law or regulation.

XII. EMPLOYEES

The Director and Specified employee should respect each and every employee of the Company, treat each of them in a fair and equitable manner; respect their privacy and not to share/disclose their personal information without their prior consent; maintain non-discriminatory approach and refrain from harassing employees, making sexual advancements, coercion, threat by virtue of his/her position with the Company.

XIII. CUSTOMERS

The Director and Specified employee should ensure to provide products and services, which meet the desired quality and safety standards and redress the Customer's grievance genuinely.

XIV. SHAREHOLDERS

The Director and Specified employee should ensure to protect shareholders interest by ensuring maintenance of accurate and complete records by avoiding false misleading or artificial entries in the Books of accounts.

This Directors' and Specified employees' Code sets forth guidelines for conduct for the Board of Directors and Specified employees.