



(Formerly: Bajaj Hindusthan Ltd.)

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Code of Conduct for Directors and Senior Management

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Policy on Material Subsidiaries

1. Introduction

This Code of Conduct for Directors and Senior Management (“**Code**”) helps maintain the standards of business conduct for BAJAJ HINDUSTHAN SUGAR LIMITED (“**Company**”). The purpose of this Code is to deter wrongdoing and promote ethical conduct. Ethical business conduct is critical to our business. Accordingly, the following persons (hereinafter collectively referred to as “**Management Team**”) are expected to read and understand this Code, uphold these standards in day-to-day activities, comply with all applicable laws, rules and regulations and all applicable policies adopted by the Company:

- All Directors of the Company.
- “Senior management” of the Company i.e. officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the executive directors, including all functional heads.

2. Honest and Ethical Conduct

All members of Management Team are expected to act in accordance with the highest standards of personal and professional integrity and maintain honest and ethical conduct while working on the Company’s premises at offsite locations where the Company’s business is being conducted or any other place where the Officers are representing the Company.

3. Conflict of Interest

Each of us has a responsibility to the Company, its stakeholders and towards each other. Although this duty does not prevent them from engaging in personal transactions and investments, it does demand that they avoid situations where a conflict of interest might occur or appear to occur.

The Company is subject to scrutiny from many different individuals and organizations. We should always strive to avoid even the appearance of impropriety. All Officers must avoid situations involving actual or potential conflict of interest. Personal involvement with a competitor, supplier, or subordinate employee of the Company, which impairs an employee's ability to exercise good judgment on behalf of the Company, creates an actual or potential conflict of interest. Supervisor-subordinate personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

An Member of Management Team involved in any of the types of relationships or situations described in this Code should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, if any, or any other appropriate supervisor, or the Managing Director, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the Company

may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Examples include:

(i) *Employment/ association viz-a-viz outside employment/ association*

In consideration of employment/ association with the Company, we are expected to devote our full attention to the business interests of the Company. We are prohibited from engaging in any activity that interferes with our 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/ association with a Company's supplier, customer, developer or competitor, or any other company with which the Company is in discussions or negotiations or from taking part in any activity that enhances or supports a competitor's position.

Additionally, we must disclose to the Company any interest that we have that may conflict with the business of the Company.

(ii) *Outside Directorships*

It is a conflict of interest to serve as a director of any company that competes with the Company. Directors are required to disclose their directorships in other companies to the Board of Directors and the Company Secretary from time to time.

(iii) *Business Interests*

If a member of Management Team is considering investing in a Company's customer, supplier, developer or competitor, he/she must first take great care to ensure that these investments do not compromise your responsibilities to the Company. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment; your ability to influence the Company's decisions; your access to confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company.

Directors making investments in a personal capacity may do so up to the maximum of 5% of the equity share capital of the investee company in a single financial year.

(iv) *Related Parties*

As a general rule, we should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Relatives include spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws.

Members of Management Team of the Company shall disclose any related party transactions to the Board from time to time. Related party transactions of a member of Management Team of a value equal to or greater than Rs. 5,00,00 in any financial year must be reviewed and approved in writing in advance by the Company's Board of Directors. The Company must report all such material related party transactions under applicable accounting rules, SEBI, Indian Companies Act, and securities market rules. Any dealings with a related party must be conducted in such a way that no preferential treatment is given to this business.

The Company discourages the employment of relatives in positions or assignments within the same department and prohibits the employment of such individuals in positions that have a financial or other dependence or influence (e.g., an auditing or control relationship, or a supervisor/subordinate relationship).

The purpose of this policy is to prevent the organizational impairment and conflicts that are a likely outcome of the employment of relatives or significant others, especially in a supervisor/subordinate relationship. If a question arises about whether a relationship is covered by this policy, the Human Resources Department is responsible for determining whether an Officer's acknowledged relationship is covered by this policy and the decision. The Human Resources Department shall advise all affected Officers of this policy. Willful withholding of information regarding a prohibited relationship/reporting arrangement will be subject to corrective action, up to and including termination. If a prohibited relationship exists or develops between two Officers, the Officer in the senior position must bring this to the attention of his/her supervisor/Managing Director.

The Company retains the prerogative to separate the individuals at the earliest possible time, either by reassignment or by termination, if necessary.

(v) *Other Situations*

Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts in a member of Management Team's mind, he/ she should consult the Human Resources Department or Finance Department. Directors may consult the Chairman of the Board of Directors in case of any such

instances. The Chairman may refer the same to the Legal Department or Human Resources Department for clarification.

4. Corporate Opportunities

The members of Management Team 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 and the Board declines to pursue such opportunity.

5. Insider Trading

Obligations under Indian securities laws apply to everyone as the Company is listed on the Indian stock exchanges. In the normal course of business, members of Management Team of the Company may come into possession of significant, sensitive information. This information is the property of the Company. He/ she has been entrusted with it. He/ she may not profit from it by buying or selling securities him/herself. Further he/ she is not to tip others to enable them to profit or for them to profit on his/ her behalf. The purpose of this Code is both to inform his/ her of your legal responsibilities and to make clear to him/ her that the misuse of sensitive information is contrary to Company policy and applicable Indian securities laws.

As per the provisions of SEBI (Insider Trading Regulation) it is prohibited to deal in shares / securities of the company during the period trading window is closed by the company. Our Secretarial / Finance department will announce from time to time about opening and closing of trading window and all concerned to whom this code applicable are required to abstain from trading of shares and securities of the company during the closure of trading window..

Insider trading is a crime, penalized by fines and imprisonment for individuals. In addition, the Securities and Exchange Board of India may seek the imposition of a civil penalty of up to three times the profits made or losses avoided from the trading. Insider traders must also disgorge any profits made, and are often subjected to an injunction against future violations. Finally, insider traders may be subjected to civil liability in private lawsuits.

Insider trading rules are strictly enforced, even in instances when the financial transactions seem small. You should read the Insider Trading Rules of the SEBI carefully, paying particular attention to the specific policies and the potential criminal and civil liability and/or disciplinary action for insider trading violations. You should comply with the Insider Trading Rules, and abstain from entering into any transaction during closure of trading windows, and follow the pre-clearance procedures for trading and trade only during a trading window.

Members of Management Team of the Company who violate this Policy will also be subject to disciplinary action by the Company, which may include termination of employment/ association or of business

relationship. All questions regarding the Company's Insider Trading Rules should be directed to the Secretarial Department.

6. Prohibition Against Short Selling of Company Stock

No members of Management Team may, directly or indirectly, sell any equity security, including derivatives, of the Company if he or she

- a. does not own the security sold, or
- b. owns the security, does not deliver it against such sale (a "short sale ") within the applicable settlement cycle.

7. Compliance with Governmental Laws, Rules and Regulatione

Members of Management Team must comply with all applicable governmental laws, rules and regulations. Members of Management Team must acquire appropriate knowledge of the legal requirements relating to their duties and sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance department. Violations of applicable government 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 the Company to civil or criminal liability or the loss of reputation or business.

8. Duties of Independent Directors

The independent Directors shall be required to comply with Schedule IV of the Companies Act, 2013 including their duties laid therein as under:

- (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.

9. Violations of the Code

Part of the job of a member of Management Team is to help enforce this Code. Members of Management Team must report all possible violations of this Code to the Human Resources department or the Secretarial department. Members of Management Team must cooperate in case of any internal or external investigation of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation of law, this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation is prohibited.

Disciplinary action by the Company may include termination of employment or of business relationship at the sole discretion of the Company. 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 cooperate fully with the appropriate authorities.

10. Waivers and Amendment of the Code

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this code is subject to modification. 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 in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of amendment or waiver.

11. Acknowledgement of receipt of Code of Ethics for Director and Senior Management

I have received and read the Company's Code of Conduct for Directors and Senior Management (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/ association. I agree to comply with the code.

If I have question concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I know I an consult HR Dept or Secretarial Dept, and that my questions or report to these source will be maintained in confidence.

Designation:

Signature:

Date

(Please sign and return this form to the Secretarial Dept)
