

CODE OF CONDUCT FOR DIRECTORS AND EXECUTIVES OF RAJSHREE SUGARS & CHEMICALS LIMITED

The Board of Directors and Senior Management of Rajshree Sugars & Chemicals Limited subscribe to the following code of conduct adopted by the Board. The Code is prescribed in order create corporate culture that promotes highest standards of ethical conduct in the interests of shareholders and all other stakeholders and to provide guidance to the directors to help them recognize and deal with ethical issues.

1. HONESTY AND INTEGRITY

The Directors and Executives shall act honestly and with integrity in all their dealings for the company. They shall not discriminate on the grounds of peoples' race, religion, gender, marital status or disability.

2. CONFLICT OF INTEREST

Directors and Executives must avoid any conflicts of interest between the director and the Company. Directors should make business decisions in the best interest of the Company. Actions by Directors and Executives must be based on sound business judgement and not motivated by personal interest or gain. A "conflict of interest" can occur when:

- a. A director's personal interest is adverse to, or may appear to be adverse to, the interest of the Company as a whole.
- b. A director or his relative receives personal benefits as a result of his or her position as a director of the Company.
- c. The Company does business with entities in which the Directors or their relatives are interested.
- d. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly to the Board of Directors.

3. CORPORATE OPPORTUNITIES

Directors and Executives are prohibited from:

- a. Taking for themselves or their companies, opportunities that are discovered through the use of Company information or position as a director.
- b. Using the Company's property or information for personal gain; or
- c. Competing with the Company for business opportunities.

4. GIFTS, FAVOURS AND ENTERTAINMENT

The Directors and Executives should not accept or provide gifts, favours or entertainment in their role as Company Director or Executive from or to persons or entities with which the Company has or is likely to have a business relationship.

5. PROTECTING COMPANY ASSETS

Directors and Executives should protect the Company assets and ensure their efficient utilisation. Company resources should be used only to conduct company business or for purposes authorized by management.

6. CONFIDENTIALITY

Directors and Executives must maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company that comes to them, from whatever source, in their capacity as a director or Executive, except when disclosure is authorized or legally mandated.

For purpose of this Code, “confidential information” includes all non-public information relating to the Company.

7. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Directors and Executives must comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company.

8. FAIR DEALING

Directors and Executives must deal fairly, and must oversee fair dealing by employees and officers, with the Company’s customers, suppliers, competitors and employees.

9. INSIDER TRADING

The Directors and Executives should not use confidential information for personal benefit. The Directors and Executives should not trade in securities or tip others to trade in securities of the Company on the basis of material information before it is made publicly available to ordinary investors through appropriate media.

10. ENCOURING THE REPORTING OF ANY ILLEGAL OR UNETHICAL BEHAVIOUR

Directors and Executives should promote ethical behaviour and take steps to ensure the Company:

- a. Encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation.
- b. Encourages employees to report violations of laws, rules, regulations or the Company's Code of Conduct to appropriate personnel.
- c. Informs employees that the Company will not allow retaliation for report made in good faith.

11. COMPLIANCE STANDARDS

Directors and Executives should communicate any suspected violations of this Code promptly to the Board of Directors. Violations will be investigated by the Board or by persons authorised by the Board, and appropriate action will be taken in the event of any violations of the Code.

12. DUTIES OF DIRECTORS

- a) Subject to the provisions of the Companies Act 2013, a director of a company shall act in accordance with the articles of the company.
- b) 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.
- c) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- d) 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.
- e) 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.
- f) A director of a company shall not assign his office and any assignment so made shall be void.

13. DUTIES OF INDEPENDENT DIRECTORS

The independent directors shall—

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- b) 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;
- c) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e) strive to attend the general meetings of the company;
- f) 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;
- g) keep themselves well informed about the company and the external environment in which it operates;
- h) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i) 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;
- j) 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;
- k) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- l) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- m) 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.

14. WAIVER OF CODE OF CONDUCT

Any waiver of this Code may be made only by the Board of Directors.
