

Speedage Commercials Limited

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND
SENIOR MANAGEMENT (INCLUDING CODE OF
CONDUCT FOR INDEPENDENT DIRECTORS)

Introduction:

Speedage Commercials Limited ("SCL") is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company has formulated a Code of Conduct for Directors and Senior Management. For this purpose, Senior Management shall mean personnel of the Core Management Team of the Company and all functional heads of company. However this can be modified from time to time through in-house notification and subject to Board approval, whenever required.

The purpose of this Code is to enhance ethical standards and transparency in managing the affairs of Company and to sustain the trust and confidence reposed by the shareholders in Company.

Fair Competition:

The Company shall fully strive for the establishment and support of a competitive and open market economy and shall co-operate in efforts to promote the progressive and judicious liberalization of trade and investment. Specifically, the Company shall not engage in activities that generate or support the formation of monopolies, dominant market positions, cartels and similar unfair trade practices.

Corporate citizenship:

The Company shall be committed to be a good corporate citizen, not only in compliance with all relevant laws and regulations, but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates, with the objective of making them self-reliant.

Financial Reporting and Records:

The Company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the Company conducts its business affairs.

Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be made available to Company auditors and other authorized parties including government agencies.

Any wilful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as a violation of this code, apart from inviting appropriate civil or criminal action under the relevant laws.

Ethical conduct:

The Senior Management of the Company, including Executive Directors and the Managing Director, shall deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third party(ies).

Health, safety and environment:

The Company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in.

Shareholders:

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The Board of Directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the Company's business, disclose such information in accordance with the respective regulations and agreements.

Regulatory compliance:

Every Director and member of senior management of the Company shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. If the ethical and professional standards set out in the applicable laws and regulations are less onerous than that of the code, then the standards of the code shall prevail.

Conflict of interest:

All Directors and senior management must avoid any conflict of interest between themselves and Company. A conflict of interest occurs when the personal interest interferes or appears to interfere with the interest of Company on one hand and its senior management/ Director on the other hand. If any such situation arises, all Directors and senior management must disclose the fact to the Managing Director for appropriate decision. If any Director or Senior Management fails to make a disclosure as required herein, and the Company of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed, the Company shall take a serious view of the matter and consider suitable disciplinary action. If in any case, the Whole Time Director(s) of Company viz. Managing Director and Executive Director have any conflict of interest, they will disclose the same to the Board.

Securities transactions and confidential information:

Any Director or senior management of the Company and their immediate family shall not derive any benefit or assist others to derive any benefit from access to and possession of information about the Company or the Group, which is not in the public domain and thus constitutes insider information.

Protecting Company's assets:

The assets of the Company shall not be misused but shall be employed for the purpose of conducting the business of company for which they are duly authorized. Directors will not take any personal advantage which is discovered through the use of company property, information or position.

Waiver and Reporting:

Each director and senior management of the Company shall promptly report to the management any violation of this code, or an event he or she becomes aware of, that could affect the business or reputation of SCL or his/her own reputation.

It is not anticipated that waivers of this Code would be sought. In the rare and unusual circumstances, any waiver of this Code shall be made only by the Board of Directors and must be promptly disclosed to the shareholders.

Review:

The Code is subject to review by the Board of Directors from time to time as may be deemed necessary in the interests of the Company and subject to the provisions of applicable laws, regulations or guidelines.

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bona fide manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- 1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2) bring an objective view in the evaluation of the performance of board and management;
- 3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) balance the conflicting interest of the stakeholders;
- 7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 8) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. 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 their 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.

IV. Manner of appointment:

- 1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- 2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- 3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- 4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:

- a) the term of appointment;
 - b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d) provision for Directors and Officers (D and O) insurance, if any;
 - e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - f) the list of actions that a director should not do while functioning as such in the company; and
 - g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- 5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
 - 6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- 1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- 2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.
- 3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- 1) The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management;
- 2) All the independent directors of the company shall strive to be present at such meeting
- 3) The meeting shall:
 - a) review the performance of non-independent directors and the Board as a whole;
 - b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- 1) The performance evaluation of independent directors shall be done by the entire Board of Directors excluding the director being evaluated.
- 2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

I hereby acknowledge receipt of and accept the terms set out in this letter.

Name:

DIN:

Place:

Date:

ACKNOWLEDGEMENT FORM

..... , have received and read the "CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT" of Speedage Commercials Limited. I have understood the provisions and policies contained in this Code and I agree to abide by and comply with this code.

Date:

Place:

Signature:

Name:

Designation:

ANNUAL COMPLIANCE DISCLOSURE*

I,, do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, complied with the provisions of the CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT of Speedage Commercials Limited during the financial year ending 31st March, 20....

Name:

Signature:

Date:

Place:

*** To be submitted by 3rd April each year.**