



# ***Uttam Sugar Mills Limited***

## ***(Code of Conduct & Business Ethics)***

---

### **PREAMBLE**

Uttam Sugar Mills Limited (USML) is committed to maintain the highest standards of ethical conduct. This Code of Conduct (the 'Code') and Business Ethics for the Board members (BOD), and Senior Management reflects the business practices and principles of behavior that support this commitment. The purpose of the code is to provide a mechanism for disclosures leading to informed decisions in matters involving business ethics. This Code of Conduct is in compliance of the requirements under Regulation 17(5) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

### **APPLICABILITY**

This Code shall be applicable to all the Directors of the Company, Key Managerial Personnel (KMP) and all the employees of the Company in the Senior Management.

### **DEFINITIONS**

**"Board Members"** means Board of directors of the Company.

**"Senior Management"** shall mean personnel of the company who are members of its core management team excluding Board of directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

**"Relative"** shall have the same meaning assigned to them in Section 2(77) of the Companies Act, 2013.

**"Price Sensitive Information"** shall have the same meaning as assigned to them in SEBI (Prohibition of Insider Trading) Regulations, 2015.

**"Officers"** shall collectively refer to the board members and the senior management personnel.

**"Compliance Officer"** means the officer appointed by the Board of directors under the Listing Regulations.

**"USML or Company"** means **Uttam Sugar Mills Limited**.

## **ANNUAL COMPLIANCE & REPORTING**

In terms of Listing Regulations, all Board Members and Senior Management Personnel shall affirm compliance with the code on an annual basis, within 30 days of close of every financial year. The annual compliance report shall be as per the format given in Annexure – A.

The annual report of the Company shall contain a declaration signed by the Managing Director after receiving confirmation to the Compliance from the Directors and Senior Management Personnel.

If any Director / Senior Management Personnel leaves the Company any time during a financial year, he shall send a communication to the Company affirming compliance of the code till the date of his association with the Company.

## **DUTIES OF INDEPENDENT DIRECTORS**

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 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.

## **CODE OF CONDUCT**

Every Officer shall act within the authority conferred upon him by the Company and under applicable law, keeping the best interests of the Company and adhere to the following and will:

- act in the best interests of, and fulfil their fiduciary obligations to the company.
- conduct themselves in a professional, courteous and respectful manner and not to the improper advantage of their position.
- act honestly, fairly, ethically and with integrity.
- comply with all applicable laws, rules and regulations;
- not use the company property or position for personal gain and it should be used only for legitimate business purposes.
- will not accept from or give to stakeholders gifts or other benefits not customary in normal social intercourse.
- act in good faith, responsibly with due care, competence and diligence, without allowing their independent judgement to be subordinated.
- not use any information or opportunity received by them in their capacity as Director or senior management in a manner that would be detrimental to the company's interests.
- act in a manner to enhance and maintain the reputation of the company.
- help create and maintain a culture of high ethical standards and commitment to compliance.
- shall report promptly any unlawful and unethical behavior, any actual or suspected fraud / theft of Company's assets.
- disclose any personal interest and abstain from discussion, voting or otherwise influencing a decision on any matter that may come before the Board in which they may have conflict or potential conflict of interest.
- not use confidential information acquired in the course of their service as Director or senior management for their personal advantage or for the advantage of any other entity.
- shall maintain the confidentiality of all confidential information of the Company or that of any customer, supplier or business associate of the Company to which Company has a duty to maintain confidentiality, except when disclosure is authorized or legally mandated.

## **WAIVERS AND AMENDMENTS OF THE CODE**

Any amendment or waiver of any provision of this Code of Conduct must be placed for approval before the Company's Board of Directors or any committee duly authorised by the Board in this behalf and the same shall be promptly disclosed on the Company's website.

## **CONSEQUENCES OF NON – COMPLIANCE OF THIS CODE**

In case of breach of this code by the Directors and /or Senior Management personnel, the same shall be dealt by the Board of Directors for initiating appropriate action, as they may deem fit and proper.

*(This Code and any amendment thereto shall be posted on the website of the Company)*

**Annexure A to the Code of Conduct for the Board of Directors ('BoD'),  
and Senior Management**

**[ANNUAL COMPLIANCE REPORT]**

I, \_\_\_\_\_ do hereby solemnly affirm that to the best of my knowledge and belief,  
I have fully complied with the provisions of the CODE OF CONDUCT FOR BOARD OF DIRECTORS  
AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March, 20\_\_\_\_\_.

Signature\_\_\_\_\_

Name \_\_\_\_\_

Designation\_\_\_\_\_

Date\_\_\_\_\_

Place\_\_\_\_\_

\*To be submitted on or before 30th April each year.