



CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF SHALIMAR PRODUCTIONS LIMITED

1. RATIONALE

1.1 The Securities Exchange Board of India (SEBI) has come out with additional guidelines on Corporate Governance by revising Clause 49 of the Listing agreement.

1.2 The Company's Code of Conduct for Directors and Senior Management (the "Code") is framed as a part of maintaining and promoting the business conducts and adhering to the standards of Corporate Governance.

2. INTERPRETATION

2.1 'Board' shall mean Board of Directors of the Company.

2.2 'Non-Executive Director' shall mean those members of the Board who are not in whole time employment of the Company.

2.3 'Independent Director' shall mean a Director as defined in Clause 49 of the Listing Agreement.

2.4 'Senior Management' shall mean personnel of the Company who are members of the top management (excluding Board of Directors) and shall include General Managers, Deputy General Managers, Assistant General Managers and the Compliance Officer

2.5 'Compliance Officer' shall mean any person responsible for all statutory and legal compliances besides providing services to the shareholders.

3. APPLICABILITY

The Code is applicable to the following persons:

- Chairman and Managing Director
- Other Directors, who are members of the Board of the Company, including non-executive and independent directors
- Senior Management
- Compliance Officer

4. COMPLIANCE WITH CODE OF CONDUCT

4.1 The Directors and Senior Management, as mentioned above are expected to read and understand this Code, act in accordance with the highest standards of personal and professional integrity in all aspects of their activities, to comply with all applicable laws, rules and regulations, to deter wrongdoing and abide by the code of conduct of the Company and other policies and procedures adopted by the Company that govern the conduct of its Directors and Senior Management.

4.2 Nothing in this Code shall constitute or be construed to constitute a contract of employment for a definite term or a guarantee of continued employment.

4.3 The Code should be read in conjunction with the policies of the respective business unit.

4.4 The responsibility to familiarize with the policies and procedures shall rest with the Directors and Senior Management to whom the code applies.

5. GENERAL STANDARDS

5.1 Mutual Respect, Honesty and Integrity

5.1.1 The Directors and Senior Management shall conduct the operations with honesty, integrity and openness with respect for the human rights and interests of the employees.

5.1.2 The Directors and Senior Management shall similarly respect the legitimate interests of those with whom they have relationships both internal and external to the Company.

5.2 Corporate Business Opportunities

In carrying out their duties and responsibilities, the Directors and the Senior Management should avoid:

- i. appropriating corporate business opportunities for themselves that are discovered through the use of Company property or information or their position as Directors or part of Senior Management
- ii. using Company property or information for personal gain
- iii. competing with the Company

5.3 Conflict of Interest

The Directors and Senior Management are expected to avoid personal activities and financial interests, which could conflict with their responsibilities to the Company. Examples of such conflicts of interest include:

i. Employment/Outside Employment

The Directors and Senior Management are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or is otherwise in conflict with or prejudicial to the Company. The Senior Management should not accept simultaneous employment with suppliers, customers, developers or competitors of the Company, or from taking part in any activity that enhances or supports a competitor's position.

ii. Related Parties

The Senior Management should avoid conducting the business with the relative, or with a business in which a relative is associated in any significant role. Relative includes spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships and in-laws. The Company prohibits the employment of such individuals in positions that have a financial dependence or influence (eg., an auditing or control relationship), or a supervisor/subordinate relationship.

iii. Payment or Gift from Others -

- a. Under no circumstances the Senior Management may accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from current and prospective customers, vendors, consultants etc that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud.
- b. Gifts may be accepted in the form of non cash items of nominal value, customary and reasonable meals and entertainment at which the giver is present, such as the occasional business meal or sporting event and gifts from family or friends with whom the Senior Management have non business relationship.

iv. Other Situations -

If any proposed transaction gives rise to any questions or doubts, Senior Management must consult the Chairman and Managing Director.

5.4 Disclosures and Reporting

5.4.1 The Senior Management will seek to promote fair, accurate, timely and understandable disclosure in the reports and documents filed or submitted to regulatory bodies and circulated to shareholders.

5.4.2 The Company seeks to provide disclosure to the investing community that is not only in conformity with applicable rules of the regulatory bodies, but also fairly presents to the investors and the public the financial condition and results of operations of the Company.

5.5 Compliance with Laws, Rules and Regulations

The Senior Management is expected to -

- i. Acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers
- ii. Comply with all applicable and identified laws, rules and regulations,

5.6 Insider Trading

The Directors and Senior Management should observe all applicable laws and regulations including the Company policies and Codes as applicable to them with respect to the purchase and sale of the Company's securities.

5.7 Maintaining Confidentiality

The Senior Management shall take all reasonable measures to protect the confidentiality of non-public information about the Company or its subsidiaries and their customers obtained or created in connection with their activities and to prevent the unauthorized disclosure of such information unless required by applicable law or regulation or legal or regulatory process.

6. AMENDMENTS AND WAIVERS

6.1 The Company reserves the right to amend, waive or alter the policies set forth in the Code at any time.

6.2 Any amendment to the Code or waiver of any of the provision of the Code requires prior approval of the Board.

7. ACKNOWLEDGEMENT AND ANNUAL CERTIFICATIONS

7.1 Every person to whom the code applies should sign the acknowledgement form at the end of this Code and return the form to the Compliance Officer indicating that they have received, read and understood, and agree to comply with the Code.

7.2 Every person to whom the code applies shall also certify in writing or such prescribed means, his or her continued understanding of this Code before 30th April every year.

7.3 The signed acknowledgement forms and Annual Certifications will be maintained by the Compliance Officer.

8. VIOLATION OF THE CODE

8.1 Actual violations of law, this Code or other Company policies or procedure should be promptly reported to the Chairman and Managing Director or the Compliance Officer of the Company.

8.2 The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company, after giving him a reasonable opportunity of being heard.