

# **SAI BABA INVESTMENT AND COMMERCIAL ENTERPRISES LIMITED**

**Code of Conduct & Ethics for Board of Directors,  
Senior Management and Key Managerial Personnel**

## **Preamble**

As per the Clause 49(I) (D) of the Listing Agreement, it has been obligatory for the Board of Directors of all the issuer company to lay down the code of conduct for all Board members including Committees of the Board and senior management and Key Managerial Personnel (KMP) of a company.

The rationale of this Code of Conduct (the "Code") is to conduct the business of the Company in accordance with the relevant laws, regulations, and rules and with the highest standard of ethics and values. The matters covered in this Code are of utmost importance to the Company, shareholders and other stakeholders.

## **Applicability:**

The Code sets out the standards of principles and practice, which are to be adhered to by:

1. The Board of Directors of the company
2. The Senior Management executives of the company
3. Key Managerial Personnel of the Company

while performing their duties as the part of the functioning team of Sai Baba Investment and Commercial Enterprises Limited. The Board does hereby acknowledge and accept the scope and extent of their duties as the directors of the company.

Where a member is in doubt as to how a particular situation should be dealt with from a moral standpoint, he/she may consult with the Chairman or Company Secretary of the Board.

The Board of Directors, the senior management and KMP shall respect the following code of conduct:

### **1. Honest, Fair and Ethical Conduct:**

They will act in the best interest of and fulfill their fiduciary obligations to the shareholders of the company. They will strive to perform their duties according to the highest ethical standards of honesty, fairness, integrity, accountability, confidentiality, legality and independence.

They will lead themselves in professional and courteous manner. They will act fairly towards the stakeholders viz, shareholders, creditors, Government, employees, customers and the general community at large by adhering to the standards of health, safety and equity legislation.

### **2. Board Culture:**

The Directors of the company will make available and share the information relating to the affairs of the company among the members of the Board to ensure efficient functioning of the operations of the company. Further the members of the

Board shall ensure that transparent and responsible board culture exists in the organization.

### **3. Conflicts Of Interest**

The Directors, Senior Management & KMP shall avoid actual and apparent conflicts of interest. They will disclose their interest in the contracts entered by the company, if any.

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

### **4. Confidential Information**

The Directors, Senior Management & KMP will respect the confidentiality of the confidential information acquired during the course of their service.

Confidential information includes all non-public information that might prejudice the ability of the Company to pursue certain objectives, be of use to competitors or harm the Company, its suppliers or its advertisers, if disclosed. Confidential information also includes any information relating to the Company's business and affairs that results in or would reasonably be expected to result in a significant change in the market value of the Company's securities or any information a reasonable investor would consider important in making an investment decision. Directors/Officers must not use confidential information for their own advantage or profit directly or indirectly.

### **5. Corporate Opportunities:**

Directors, Senior Management & KMP will not:

- a. Take for themselves personally, opportunities that are discovered through the use of Company's property, information, or position.
- b. Compete directly with the business of the Company or with any business that the Company is considering.
- c. Use Company's property, information, or position for personal gain.

### **6. Guidelines of professional conduct:**

Directors, Senior Management & KMP will:

- a. Uphold ethical standards of integrity and probity;
- b. Act objectively and constructively while exercising duties of Director/Managing Director /Independent Director/ Whole Time Director/ Key Managerial Personnel;
- c. Exercise your responsibilities in a bona fide manner in the interest of the company;

- d. Devote sufficient time and attention to your professional obligations for informed and balanced decision making;
- e. Not allow any extraneous considerations that will vitiate your 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;
- f. 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;
- g. Refrain from any action that would lead to loss of your independence;
- h. Where circumstances arise which make you lose your independence, then, you must immediately inform the Board accordingly;
- i. Assist the company in implementing the best corporate governance practices.

## **6. Compliance with Laws, Rules and Regulations:**

They will comply with all relevant laws, rules and regulations while performing their duties and responsibilities.

Transactions, directly or indirectly, involving securities of the Company should not be undertaken without pre-clearance from the Company's compliance officer. Any director, officer or employee who is unfamiliar or uncertain about the legal rules involving Company business conducted by him/her should consult the legal department of the Company.

## **7. Compliance**

### **1. Compliance with Laws, Rules and Regulations:**

They will comply with all relevant laws, rules and regulations while performing their duties and responsibilities.

### **2. Compliance other Policies laid down by the Board of Directors**

All the Directors, Senior Management and KMP will also comply with following policies framed by the Board of Directors of the Company while performing their duties and responsibilities.

- Insider Trading Policy
- Policy on Independent Directors and Their Training.
- Nomination and Remuneration Policy.
- Code of Conduct and Ethics
- Policy on Related Party Transactions

Violations of this Code and other policies will result in disciplinary action. The Company's Board or any Committee/person designated by the Board for this purpose shall determine appropriate action in response to violations of this Code of Conduct and other policies applicable to the Directors, Senior Management, & KMP.

**8. Amendments to the Code:**

The provisions of this code can be amended/ modified from time to time by the Board of Directors of the company and all such amendments/ modifications will take effect from such date as stated therein.

**9. Annual Compliance Reporting:**

Pursuant to the provisions of the Clause 49 of the Listing Agreement, all the members of the Board shall affirm compliance with this code within 30days of the close of every financial year. The Annual Report of the company shall contain a declaration to this effect signed by Chairman and Managing Director. A Proforma of the Annual Compliance Report is annexed as Annexure I to this code which shall be forwarded to the Compliance Officer of the Company.

**10. Placement of the Code on Company's Website:**

Pursuant to the provisions of the Clause 49 of the Listing Agreement, this Code along with the whistle Blower Policy and amendments thereto shall be hosted on the website of the company.

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## **Annexure I**

### **Annual Compliance Report**

I Mr. Shushanth S Shetty 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 & Ethics for Board of Directors and Senior Management and Key Managerial Personnel, of Sai Baba Investment and Commercial Enterprises Limited during the Financial Year ending 31<sup>st</sup> March 2015.

Signature : SD/-

Name Mr. Shushanth S Shetty

Designation: Managing Director

\*Date: 07/04/2014

Place : Thane

\* To be submitted by 30th April every year.