

**UNITED POLYFAB GUJARAT LIMITED**

**CODE OF CONDUCT  
FOR BOARD MEMBERS & SENIOR MANAGEMENT  
PERSONNEL**

## 1. PREFACE

This Code is formulated in line with the requirement of Clause 49 (Corporate Governance) of Listing Agreement with Stock Exchanges. This Code of Conduct (“Code of Conduct” or “Code”) helps ensure compliance with the regulatory requirements. The Board of Directors, and the Senior Management Personnel’s are expected to read and understand this Code of Conduct, uphold these standards in day-to-day activities and also comply with all applicable standards, policies and procedures of the company.

## 2. DEFINITION AND INTERPRETATION

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

- The term “**Board/Board of Directors**” shall mean the Board of Directors of the Company.
- The term “**Board Members**” shall mean the Members on the Board of Directors of the Company.
- The term “**Senior Management Personnel/Senior Managers/Senior Management**” shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would normally comprise all members of management one level below the Functional/Executive Directors, including all functional heads.
- The term “**Independent Directors**” shall mean an Independent Director as per the provisions of the Companies Act, 2013 and Listing agreement (as revised from time to time)
- The term “**Relative**” shall mean a ‘relative’ as defined under Section 2(77) of the Companies Act, 2013.
- The term “**the Company**” shall mean United Polyfab Gujarat Limited (UPGL).

## 3. APPLICABILITY

This Code of Conduct applies to all the Directors & Senior Management of the Company. The Directors & Senior Management should continue to comply with all the applicable laws & regulations and the relevant policies, rules and procedures of the Company. The Code comes into immediate effect and future amendments / modifications shall take effect from the date stated therein. The Code shall be posted on the website of the Company.

## 4. CODE OF CONDUCT

The Board Members & Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement. The Board Members & Senior Managers of the Company: -

- (a) Shall maintain and help the Company in maintaining highest degree of Corporate Governance practices.
- (b) Shall act in utmost good faith and exercise due care, diligence and integrity in performing their office duties.
- (c) Shall ensure that they use the Company's assets, properties, information and intellectual rights for official purpose only or as per the terms of their appointment.
- (d) Shall not seek, accept or receive, directly or indirectly, any gift, payments or favour in whatsoever form from Company's business associates, which can be perceived as being given to gain favour or dealing with the Company and shall ensure that the Company's interests are never compromised.
- (e) Shall maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage.
- (f) Shall not commit any offences involving moral turpitude or any act contrary to law or opposed to the public policy.
- (g) Shall not communicate with any member of press or publicity media or any other outside agency on matters concerning the Company, except through the designated spokespersons or authorized otherwise.
- (h) Shall not, without the prior approval of the Board or Senior Management, as the case may be, accepts employment or a position of responsibility with any other organization for remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interest to conflict with the interest of the Company.
- (i) Shall in conformity with applicable legal provisions disclose personal and/ or financial interest in any business dealings concerning the Company and shall declare information about their relatives (spouse, dependent children and dependent parents) including transactions, if any, entered into with them.
- (j) Shall ensure compliance of the prescribed safety & environment related norms and other applicable codes, laws, rules, regulations and statutes, which if not complied with may, otherwise, disqualify him/ her from his/ her association with the Company.
- (k) Shall ensure compliance with SEBI (Prohibition of Insider Trading) Regulations, 1992 as also other regulations as may be applicable to them from time to time.

## 5. RESPONSIBILITIES OF THE DIRECTORS OF THE COMPANY

The board of directors of the listed entity shall have the following responsibilities:

- (i) Disclosure of information:
  - (a) Members of board of directors and key managerial personnel shall disclose to the board of directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the listed entity.
  - (b) The board of directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

- (ii) Key functions of the board of directors:-
- (a) Subject to the provisions of the Companies Act, 2013 (“the Act”), Directors of the company shall act in accordance with the Articles of Association of the Company.
  - (b) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
  - (c) Monitoring the effectiveness of the listed entity’s governance practices and making changes as needed.
  - (d) Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.
  - (e) Aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.
  - (f) Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.
  - (g) Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions,
  - (h) Ensuring the integrity of the listed entity’s accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards,
  - (i) Overseeing the process of disclosure and communications,
  - (j) Monitoring and reviewing board of director’s evaluation framework,
  - (k) Directors of the 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,
  - (l) Directors of the Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
  - (m) Directors of the 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.
  - (n) Directors of the Company shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates and if such Director is found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain to the Company.
  - (o) Directors of the Company shall not assign his office and any assignment so made shall be void.
- (iii) Other responsibilities:
- (a) The board of directors shall provide strategic guidance to the listed entity, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.
  - (b) The board of directors shall set a corporate culture and the values by which executives throughout a group shall behave.

- (c) Members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
- (d) The board of directors shall encourage continuing directors training to ensure that the members of board of directors are kept up to date.
- (e) Where decisions of the board of directors may affect different shareholder groups differently, the board of directors shall treat all shareholders fairly.
- (f) The board of directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
- (g) The board of directors shall exercise objective independent judgement on corporate affairs.
- (h) The board of directors shall consider assigning a sufficient number of nonexecutive members of the board of directors capable of exercising independent judgement to tasks where there is a potential for conflict of interest.
- (i) The board of directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the listed entity to excessive risk.
- (j) The board of directors shall have ability to step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
- (k) When committees of the board of directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the board of directors.
- (l) Members of the board of directors shall be able to commit themselves effectively to their responsibilities.
- (m) In order to fulfil their responsibilities, members of the board of directors shall have access to accurate, relevant and timely information.
- (n) The board of directors and senior management shall facilitate the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors.

## DUTIES OF INDEPENDENT DIRECTORS

The Independent Directors shall—

- (a)** 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;
- (b)** strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (c)** participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (d)** strive to attend the general meetings of the Company;
- (e)** 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;
- (f)** keep themselves well informed about the Company and the external environment in which it operates;

- (g) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (h) 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;
- (i) 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;
- (j) acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- (k) 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.

## 6. CLARIFICATION ON CODE OF CONDUCT

Board Members and Senior Management Personnel requiring any clarification regarding this Code of Conduct may contact the Company Secretary.

## 7. ANNUAL COMPLIANCE REPORTING

Board Member and Senior Managers shall affirm compliance with this Code on an annual basis as at the end of the each financial year of the Company (as per **Appendix I** within 10 days of the close of every financial year).

## 8. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE

All Board Members and Senior Management Personnel shall acknowledge receipt of this Code in the acknowledgement form annexed to this Code vide **Appendix-II**.

## 9. AMENDMENTS TO THE CODE

Any amendment in the provisions of the Act and/or Clause 49 of the Listing Agreement relating to the Code of Conduct for Board Members and Senior Management Personnel will be incorporated in the Code with the approval of Managing Director, UPGL and shall be informed to the Board.

**UNITED POLYFAB GUJARAT LIMITED**

Compliance of the Code of Conduct by all Board Members and Senior Management Personnel of the  
Company

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**ANNUAL COMPLIANCE REPORT**

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 BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March \_\_\_\_\_

Signature : .....

Name : .....

Designation : .....

Date : .....

Place : .....

\* To be submitted by 10th April each year.

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**ACKNOWLEDGEMENT FORM**

I \_\_\_\_\_, have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this code.

Signature : .....

Name : .....

Designation : .....

Date : .....

Place : .....

(All Members of the Board to sign and return this form to the Company Secretary.)