USHA INTERNATIONAL LIMITED

Corporate Office
Plot no. 15, Sector – 32
Institutional Area
Gurgaon - 122001
Haryana. (INDIA)

Registered Office
Surya Kiran Building
19, Kasturba Gandhi Marg
New Delhi - 110 001. Delhi. (INDIA)

CODE OF CONDUCT

1. PURPOSE

i) This Code of Conduct represents Usha International Limited (Company) core values and the way the Company does business and deal with all its stakeholders including customers, employees, Directors, business partners, government, community and its shareholders.

ii) This Code of Conduct contains guidelines for making decisions in all situations in consonance with the values of the Company and its policies following a common set of principles such as integrity, honesty, self discipline and mutual respect.

iii) This Code of Conduct should be read in conjunction with applicable regulations and existing policies and procedures of the Company.

iv) All employees and the Directors have the responsibility to understand and follow the Code of Conduct guidelines as described in this booklet.

2. APPLICABILITY:

This Code of Conduct shall apply to:

i) Every employee of the Company including those working in the International Offices.

ii) Directors of the Company.

iii) All Retainers and Advisors working for the Company.

iv) All casuals, temporary and contractual associates working for the Company.

Independent contractors or consultants will be made aware of this Code as it applies to our employees in their dealings with them.

3. OUR MISSION AND VALUES

As one of India's leading sales, marketing, distribution and manufacturing organizations and with a mission to pursue excellence in all spheres of business activity, the Company believes in:

i) Meeting customer requirements and satisfaction by providing high quality and safe and environment friendly products.

ii) Follow the below core values in anything and everything we do:

a. Integrity: to practice commitment towards ethical dealings in all activities related to job performance or otherwise.

b. Honesty: to be truthful in every assignment / transaction and honor commitments and promises.

c. Compliance with Law: The Company believes in following the law not only in letter but also in spirit.

iii) Be a fair and equal opportunity employer and value the employees through mutual respect and demonstrate sensitivity and appropriate behaviour towards diverse thoughts and views.

iv) The Company behaves as a responsible corporate citizen supporting communities and environment.

v) Providing reasonable returns to its shareholders while adding value to all its business operations. Thus, the Company's mission and philosophy emphasize the obligations we have to our customers, suppliers/ dealers, society and to our employees. This Code of Conduct embodies this spirit.

CODE OF CONDUCT

4. MEETING CUSTOMER REQUIREMENTS

4.1 (a) The Company strives to meet its customer requirements and satisfaction by providing products which are:

- Of high quality
- Safe to use
- Environment friendly
- Comply with all the applicable quality and safety norms

(b) The Company provides complete and accurate information about its products and services and do not believe in misrepresentation, deliberate or otherwise in any form.

(c) The Company believes in competing on the strength and quality of its products and not by disparaging the products of its competitors.

4.2 CONFLICT OF INTEREST

i) A conflict of interest exists where the interests or benefits of any employee or external entity conflicts with the interest or benefits of the Company.

ii) Decisions and actions taken in the course of employment with the Company should be based keeping in mind the best interests of the Company and not based on personal relationships or benefits.

iii) Employees are expected to avoid situations where a conflict of interest might occur or appear to occur or where their ability to exercise independent judgment in the Company's best interest is compromised.

v) The Company policies prohibit any employee from accepting simultaneous employment with any other company or business entity.

vi) The Company policies prohibit any employee from taking part in any activity that enhances or supports a competitor's position.

vii) It is incumbent upon every employee to make full disclosure of interest which the employee or their family / relatives may have in a company or firm which is a supplier, customer, distributor or business associate, in writing to Head HR / Company Secretary.
viii) Employees are expected to avoid conducting Company's business with a relative or with a business in which a relative is associated in any significant role.
ix) Employees are prohibited from engaging in any external / internal activity that interferes with their performance or responsibilities towards the Company or is otherwise in conflict with or prejudicial to the Company.
Employees are prohibited from influencing the recruitment of their relatives in any position with or without remuneration in the Company.
Relative here means:
a. Wife or Husband
b. Parents, grand parents, children, grand children, spouses of children and grand children, brothers and sisters.
c. Member of HUF of which the employee is also a member.
Children and parent(s), sister and brother mentioned above include step children, step parent(s), step sisters and step brothers.

4.3 GIVING AND RECEIVING GIFTS AND HOSPITALITY

i) As a policy, the Company does not believe in from offering and receiving gifts and entertainment from business partners. Employees and their family members, must never in connection with the Company's business, offer /give, seek or accept:

- **a.** Gifts & entertainment
- **b.** Cash or cash equivalents
- **c.** Loans / personal services

ii) Any gift or entertainment to anyone which is given with intent of a favour in return is prohibited.
iii) No employee shall (directly or indirectly) accept any gift, entertainment, trip, discount, service or other benefit from any organization or person doing business or competing with the Company which would or reasonably appear to be capable of influencing such person to act in a manner which is against the interest of the Company.

For detailed guidelines on giving and receiving gifts and hospitality, refer to policy on "Gifts & Entertainment." In case of a suspicion of bribery and corruption, as it can result in liability for the Company and for them personally, employees are expected to immediately report the same through the Ombudsman or any member of the Ethics Committee as provided in the "Whistle Blower" policy.

5. CORE VALUES OF INTEGRITY, HONESTY AND COMPLIANCE WITH LAW

In all its dealings, the Company's commitment is towards ethical dealings in all activities related to job performance or otherwise and to be truthful in every assignment/transaction and honoring commitments and promises.

Further, the Company follows the law not only in letter but also in spirit.

Framework of Ethical Decision Making – The employees and business associates are expected to follow the below principles to assist them in making correct decision:

a. Open, honest communication.
b. Don't lie, don't cheat.
c. Maintain highest standards of ethics, honesty and integrity.
d. Follow the law not only in letter but also in spirit.
e. Apply common sense.
f. Whenever in doubt, Ask (the only stupid question is which is not asked).

5.1 DEALING WITH SUPPLIERS / PARTNERS

i) The Company aims to conduct its purchasing operations so as to ensure continuing, reliable sources of supply where decisions are based on sound business reasons, such as suitability, quality, delivery and cost. The Company ensures transparency in its business processes and compliances with the law.

ii) The Company treats all its suppliers / partners with fairness and integrity and without any discrimination.

iii) Employees must not accept any favour (whether in cash or in kind) from any supplier or other channel partners.

iv) Employees must ensure that various supplier / partner agreements should be documented in detail and attested, without any ambiguity or verbal understandings with suppliers/ partners. All agreements are to be vetted and attested by the Legal Department

v) Employees are expected not to own any interest in the business of any existing supplier or that of a prospective supplier.

5.2 DEALING WITH DISTRIBUTORS AND DEALERS

i) The Company gives all its potential distributors and dealers a fair and uniform consideration. No personal favors on prices, promotional allowances, marketing assistance or the like are entertained.
ii) Employees interacting / involved with distributors and dealers should make sure that their decisions are based on sound business reasons, such as equality, fairness and customer orientation.
iii) The Company treats all its distributors / dealers with fairness and integrity and without any discrimination.
iv) Various sales promotion schemes and other marketing initiatives shall be introduced by the Company by written circulars to be issued from time-to-time.

v) Employees must avoid any verbal commitment or written commitments or any sort of miscommunication beyond their delegation or the policies / schemes as applicable under any circumstances.
vi) Employees are expected not to own any interest in the business of any existing or prospective distributor / dealer. They are also expected not to solicit any favour in cash or kind from any distributor / dealer.

The Company complies with competition laws of all the countries where it does business. The Company shall not engage in bid rigging, fix prices, allocate markets or abuse market power.

5.3 DEALING WITH GOVERNMENT OFFICIALS

i) Employees are expected to be direct and honest in dealings and communications with any government department.

i) All employees responsible for dealing with Government or local bodies must deal with such external bodies in accordance with the guidelines and ethics set for this purpose.

iii) Employees must not give or offer any kind of gift or hospitality to any government official or a third party (who may deal with the government authorities on company's behalf) with intent of a favour in return.

Employees shall not offer gifts and hospitality to the spouses, family members or guests of a government official under any circumstances.

5.4 FINANCIAL INTEGRITY AND ETHICS

i) All employees shall act in accordance with the highest standards of financial integrity and ethics and ensure that the Company's environment is free from fraud or deception.
ii) There shall be no:

a. Willful omission or falsification of any Company's transaction from the Company's books and records.

b. Misrepresentation of facts, claims, invalid documents, financial accounts, reports/ concealment of information.

iii) Employees are expected to strictly adhere to their financial/operational delegations and other working principles laid from time to time.
iv) Employees are encouraged to proactively and candidly report actual or apparent unethical acts to the concerned Company's officers/HODs and cooperate fully in the internal checks and investigations of frauds.

DEALING WITH AUDITORS / CONSULTANTS

i) The auditors have a duty to review the Company's records in a fair and accurate manner. Employees are expected to cooperate with independent and internal auditors in good faith and

in accordance with the Company's policies.

ii) Employees are expected not to fraudulently induce or influence, coerce, manipulate or mislead the external or internal auditors regarding financial records, processes, controls or any other matter related to their engagement/expertise.

DEALING WITH BANKS / FINANCIAL INSTITUTIONS

i) The Company shall also promptly provide all the information, documents and records required by Banks/Financial Institutions from time to time.

ii) Employees or anyone dealing on behalf of the Company are expected not to fraudulently induce or influence, coerce, manipulate or mislead the Banks/Financial Institutions regarding financial records, processes, controls or any other matter related to their engagement/expertise.

iii) Employees or anyone dealing on behalf of the Company are expected to cooperate with Banks/Financial Institutions in good faith and in accordance with the Company's policies.

PREVENTION OF INSIDER TRADING

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

Every Director, officer or employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. No Director, officer or employee may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

6. FAIR AND EQUAL OPPORTUNITY EMPLOYER

In the organizational context, work culture is defined by 'the way we conduct our day to day business." The core values of Honesty, Integrity, Self-Discipline and Mutual Respect are the foundations on which the work culture of the Company is built.

The Company supports the development of rules that promote, encourage or result in fair competition and expect that all employees conduct themselves in accordance with the Company's commitment to be a fair and equal opportunity employer.

6.1 NON DISCRIMINATION AND DIVERSITY

i) The Company is committed to providing a work environment free of discrimination and harassment.

ii) The Company strives to be a fair opportunity employer and makes employment decisions based on merit and business needs and does not condone favoritism or the appearance of favoritism at the workplace. Employees are expected to provide an equal opportunity to every individual for development.

iii) The Company respects differences in race, colour, religion, gender, ethnic origin or nationality and promotes diversity. Employees must not discriminate according to race, colour, religion, age, gender, sexual orientation, marital status, disability, ethnic origin or nationality.

iv) The working at mosphere must encourage free expression of different ideas, views and innovative thoughts.

v) All employees must not to be under the influence of drugs / alcohol while at work.

vi) The Company expects all employees to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, whenever Company's business is being conducted or at any place where employees are representing the Company.

6.2 NON-HARASSMENT

i) The Company does not tolerate harassment comprising of any action, conduct or behaviour which is humiliating, intimidating or hostile.

ii) Employees are expected to treat others with respect and dignity.

iii) Employees are expected not to distribute or display potentially offensive material and make inappropriate comments

iv) Sexual harassment or exploitation is a punishable offence and will not be tolerated. All allegations of sexual harassment are governed by the policy "Sexual Harassment Prohibition Policy."

6.3 HEALTH, SAFETY AND ENVIRONMENT

i) The Company is committed to providing a safe and healthy working environment in the conduct of its business affairs.

ii) Employees are expected to report any safety concerns, accidents, injuries and unsafe conditions promptly that might arise in their day to day work.

iii) Employees are expected not to indulge in any activity that damages the external environment or affects the safety of employees adversely.

6.4 DATA INTEGRITY / SAFETY

i) Integrity and safety of any Company's information in physical or electronic form is the responsibility of every employee.

ii) Employees must not share any confidential business information to any outside person/ party without seeking approval from the concerned authority / management.

iii) Employees must not disclose any confidential business information to other employees in the Company except on a 'need to know' basis or a 'need to use' basis alongwith the obligation of not disclosing it further.

iv) Any employee involved in preparing financial or accounting records or reports, including financial statements, must be diligent in assuring that those records and reports are complete, accurate and timely.

7. RESPONSIBLE CORPORATE CITIZEN

The Company behaves as a responsible corporate citizen supporting communities and environment.

7.1 Charitable Activities

The Company is committed to undertake charitable activities in order to support the communities, for upliftment and empowerment of weaker sections of the society.

7.2 Protecting the Environment

The Company is committed to comply with all regulations regarding the preservation of this environment.

8. ADD VALUE TO BUSINESS OPERATIONS AND PROVIDE REASONABLE RETURNS TO ITS SHAREHOLDERS.

8.1 BRAND EQUITY/IPR - PROTECTION

i) The Company protects and respects its valuable Intellectual Property Rights (IPR).

ii) The Company will make every effort to obtain and maintain all necessary Intellectual Property Rights, including patents, copyrights and trademarks, and utilize them effectively in growing the business.

iii) Employees must ensure that Intellectual Property is managed with utmost care as it is a key strategic tool for achieving business objectives.

iv) Employees shall support the Company to obtain legal protection for products/brands/services through registration of copyrights, trademarks and patents in all countries where they are sold.

v) Employees are expected to report all instances of the Company's IPR infringement to Legal Department.

vi) Employees must not use the IPR of the Company or any other related entity without obtaining approval from the concerned authority.

vii) Employees are expected not to use the IPR of the Company in a manner that it demeans the IPR, brand image or the Company itself.

viii) The Company respects intellectual property rights of third-parties and shall not make any unauthorized use of any such rights.

8.2 DISCLOSURE OF COMPANY's CONFIDENTIAL INFORMATION

i) The Company's confidential information is a valuable asset. This information includes but is not limited to :

a. New Product Development and Launch.
b. Proprietary and Technical Information - Trade Secrets
c. Suppliers, Dealers and Customers Database and their non-public information
d. Financial Information and Projections

ii) Employees must not disclose:

a. any such confidential information regarding the Company's business or services.
b. any confidential information to anyone or use it to benefit anyone other than the Company without the prior written consent of the CEO/Executive Chairman.
c. IPR and legal agreements/documents/terms and conditions.

iii) However, to further the Company's business, from time to time, confidential information may be disclosed to potential business partners based on context and appropriateness. Such disclosures should never be done without carefully considering its potential benefits and risks, and without clearance from authorized personnel of the Company.

iv) Employees must not sign a third party's nondisclosure agreement or accept changes to the Company's standard nondisclosure agreements without review and approval by the Company's Legal Department.
Once a third party's confidential information has been disclosed to the Company, we have an obligation to abide by the terms of the relevant nondisclosure agreement and limit its use to the specific purpose for which it was disclosed and to disseminate it to other Company's employees only on a 'need to know' or a 'need to use' basis.

8.3 DEALING WITH MEDIA

i) Only authorized employees may communicate with the media and/ or represent the Company to share any sort of business information.

ii) No employee should engage in formal / informal / casual conversation with media in any form including social media in relation to any aspect of the Company's business or performance.

iii) If employees are persuaded by the media to give comments / responses; they shall politely divert all such queries to the PR Department.

8.4 DEALING WITH POLITICAL PARTIES

i) The Company does not have any political alignment / preferences towards any political party for business purposes.

ii) Dealings with political parties must therefore be handled with sensitivity at the senior most level of the Company.
iii) Employees are not allowed to engage in any political activity in the office or outside. Only in unavoidable situations, employees are expected to obtain necessary prior approval from the concerned authority at the Head Office before having any sort of communication with political parties/associated persons.

9. OUR PROMISES:

i) No concern will be unchecked
ii) Prompt action and closure of any concerns
iii) No retaliation or harassment or intimidation towards those who report their concerns.
iv) Complete confidentiality
v) Promise of anonymity

10. HOW TO GET HELP AND SUPPORT OR RAISE CONCERN

Usha's Code of Conduct with respect to business can be implemented effectively only if each one of us practices and supports it. Thus, it is the responsibility of all the employees, Directors and anyone dealing with the Company to understand and follow the Code of Conduct as "ignorance of this policy," "bona-fide intentions" or "any act done in the interest of the Company" are not a ground for not following this Code of Conduct.
If ever you have a concern or an issue highlighting possible violation of the Code of Conduct related to business ethics, you are urged to bring it to the notice of the following and seek advice/redressal:

For clarification:
i) Ombudsman
ii) Head HR / Legal

For reporting violation:
iii) Ombudsman
iv) Any member of the Ethics Committee
v) Chairperson of the Audit Committee (Only if the complaint is against the members of the Committee, CEO, CFO, Company Secretary or Directors of the Company).

For detailed guidelines on how to raise concern on report violation, refer to "Whistle Blower" policy.

For and on behalf of the Board of Directors
Usha International Limited

N.K. GOILA
DIRECTOR

ACCEPTANCE

I have gone through and fully understand the contents of the Usha International Limited "Code of Conduct" booklet and the expectations of the Company from me in my day-to-day work.

I assure the Management of Usha International Limited that I will comply with all the suggestions and guidelines to the best of my ability.

I would seek guidance/report in case I come across any perceived/potential violation in my area of work and at the Company in general.