

## **WEBFIL LIMITED**

In compliance with the provisions of Clause 49 of the Listing Agreements entered into by the Company with the Stock Exchanges, the "Code of Conduct" of the Members of the Board of Directors and Members of the Senior Management Team of the Company was placed before the Board of Directors at its meeting held on 29<sup>th</sup>. June, 2006. The Board approved the said "Code of Conduct" and authorized the Company for posting the same on the Website. The following is the text of the "Code of Conduct" :

### **CODE OF CONDUCT FOR ALL BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

#### **INTRODUCTION :**

In terms of Clause 49 of the Listing Agreement which became effective and operational with effect from 1<sup>st</sup>. January, 2006 a Code of Conduct as under has been laid down which shall also be posted on the Website of the Company.

#### **1 APPLICABILITY :**

This code of conduct shall be applicable to the Company and the following persons (hereinafter referred to as "the officers")

- a) All the Directors including the Managing Director, whole-time Directors, Non-Executive directors, Independent Directors and Nominee Directors of the Company and its subsidiary.
- b) Chief Executive of Operation Divisions
- c) General Managers
- d) Company Secretary
- e) All management cadre officers, all professionals serving in the Company and all the members of various committees constituted by the Board including special invitees, if any.

#### **2 NATIONAL INTEREST :**

The Company shall be committed in all its actions to benefit the economic development of the country. It shall not undertake any project or activity that will have any adverse impact on the nation's interest. The Company shall conduct its business affairs in accordance with the law of the land and conforming to the Government's Economic and Foreign Policies.

#### **3 FINANCIAL REPORTING AND RECORDS :**

The Company and its officers shall prepare and maintain accounts in accordance with the accounting standards, laws and regulations of the Country. Any willful material misrepresentation on the financial accounts and reports shall be regarded as a violation of the code. Internal Audit Reports shall fairly and accurately reflect, the matters covered under the report and there shall be neither willful omission of any of the Company's transactions, and nor advance income recognition.

**4 COMPETITION :**

The Company shall make all efforts for establishment of an open market economy in India in accordance with the liberalization policy of the Government and shall refrain from being engaged in activities which will lead to unfair trade practices. The Company shall market its products and services without resorting to any unfair and misleading statement about the competitors' products and services.

**5 HONEST AND ETHICAL CONDUCT :**

Every Officer of the Company shall act and deal on behalf of the Company with highest standards of personal and professional integrity, honesty and ethical conduct while working on the Company's premises, at offsite locations where the Company's business is being conducted. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

Honest conduct is that which is free from fraud or deception. Ethical conduct is ethical handling of actual or apparent conflicts of interest between personal and professional relationship.

**6 LEGAL AND REGULATORY COMPLIANCE :**

The Company and its officers and every employee shall comply with all applicable Government laws, rules and regulations both in letter and spirit. Violations of applicable Government laws, rules and regulations may subject them to criminal and civil liability as well as to disciplinary action by the Company.

**7 SHAREHOLDERS :**

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The Company shall fairly inform its shareholders about relevant aspects of the Company's business and disclose such information in accordance with the respective regulations and agreements.

**8 CORPORATE OPPORTUNITIES :**

The Officers shall not exploit for their personal gain, the opportunities that are discovered through the use of the Company's property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines the pursue such opportunity.

**9 CONFIDENTIALITY :**

The Officers shall not disclose/reveal any facts/ figures/ information/ trade secrets or confidential documents in written/verbal form, obtained during the course of business relationship with the Company to any person(s)/authority/organization/statutory body unless required by law and/or with specific written permission by the Company.

**10 GIFTS & DONATIONS :**

The Company and its officers or employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts or comparable benefits from customers, vendors, consultants etc. that is intended to or perceived to influence any business decision or to obtain uncompetitive favours for the conduct of its business. However, inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided they are not excessive or create an appearance of impropriety, do not violate this policy.

**11 PROTECTING THE COMPANY ASSETS :**

The assets of the Company should not be misused but employed for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets viz. proprietary information, relationships with customers and suppliers etc.

**12 CONFLICT OF INTEREST :**

The Officers and employees of the Company shall not engage in a business, relationship or activity, which might detrimentally conflict with the interest of the Company or the Group. A conflict of interest, actual or potential, may arise where, directly or indirectly :

- a) an employee or an officer of the Company engages in any business, relationship or activity with anyone who is party to a transaction with his or her Company.
- b) an employee or an officer is in a position to derive a personal benefit or a benefit to any of his or her relatives by making or influencing decisions relating to any transaction.
- c) an independent judgment of the Company's or Group's best interest cannot be exercised.

**13 EQUAL OPPORTUNITIES EMPLOYER :**

The Company and its officers shall provide equal opportunities to all its employees and all qualified applicants for employment, without regard to their race, caste, religion, marital status, sex, age, and disability. Employees of the Company shall be treated with dignity and in accordance with the Company policy to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

**14 HEALTH SAFETY AND ENVIRONMENT :**

The Company and its officers shall strive to provide a safe and healthy working environment and comply in the conduct of the business affairs of the Company with all regulations regarding the preservation of the environment.

**15 REPORTING CONCERNS :**

Every officer and employee of the Company shall promptly report to the management any actual or possible violation of this code or an event he or she becomes aware of that could affect the business or reputation of his/ her or any other Group Company.

**16 VIOLATION OF THE CODE :**

It will be the ethical responsibility of the Officers to help enforce this code. The Company will take appropriate action against any concerned person whose actions are found to violate the code or any other policy of the Company.

**17 AMENDMENT/ MODIFICATION OF THE CODE :**

The Company is committed to continuously review and update its policies and procedures. Therefore, this code is subject to modification as and when felt necessary by the Board of Directors.