

**CODE OF CONDUCT FOR DIRECTORS
&
SENIOR MANAGEMENT
OF
GAYATRI SUGARS LIMITED**

A. INTRODUCTION & BACK GROUND

The Company firmly believes that Corporate Governance is very closely linked to the core values of the Company and is associated with best practices, a fine blend of law, regulation and voluntary practices with the overall objective of maximizing return for its stakeholders. Your Company believes in imbuing Best International Practices in the area of Corporate Governance with specific emphasis on ensuring accountability.

The Company is committed to transparency, accountability and fairness and contributing towards the social and environmental growth of the surroundings in which it operates.

The Company acknowledges that the Corporate Governance is not a substitute for good performance and rather good corporate governance is for good performance together with good values. Accordingly, the Company has sought to institutionalize best corporate governance practices mandated by Regulatory Authorities.

Gayatri Sugars Limited has adopted this code of conduct in order to describe the standards its Directors and Senior Management must meet the Standards are based on:

- Professionalism and good business practices
- Ethical and legal behaviour
- Fair and appropriate consideration of the interests of all stakeholders
(investors, customers, suppliers, employees, other commercial partners, government authorities and the public and environment)
- Fair and respectful treatment of fellow employees
- Loyalty to Gayatri Sugars Limited

B. PURPOSE OF CODE

The code seeks to serve the following purposes:-

i) To articulate the high standards of honesty, integrity, ethical and law abiding behaviour expected of Directors and Senior Management Members.

ii) To encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including investors, employees, customers, suppliers and creditors)

iii). To guide Directors and Senior Management Members as to the Practices thought necessary to maintain confidence in the Company's integrity; and

iv) To set out the responsibility and accountability of Directors and Senior Executives to report and investigate any reported violations of this code or unethical or unlawful behaviour.

The code seeks to address:-

- Personal obligations
- Discrimination
- Conflict of Interest
- Bribes, Kick-backs, Business Entertainment, Gifts,
- Insider Trading
- Compliance with Law

C. APPLICABILITY OF CODE

This code of conduct describes Gayatri Sugars commitment to lawful and ethical conduct in all of its affairs. This code of conduct shall apply to all operations of the Company and supplements the present or future policies, guidelines and rules implemented by the Company. The spirit of this Code of Conduct shall govern the interpretation of all policies, guidelines and rules adopted by the Company.

- This Code of Conduct is applicable to all Directors of the Company
- This Code of Conduct is applicable to all Senior Management Members of the Company, from the rank of General Manager and above.
- This Code of Conduct is applicable to any other employee or officer of the Company who has a direct functional reporting to the Board and also to any employee or officer of the Company, who has the opportunity to materially influence the strategy and operation of the business and Financial performance of the company.

D. CODE OF CONDUCT

a) Honesty, Integrity, Ethical Conduct and Dignity :

The Company's Directors and Senior Management Members shall;

- i) Observe highest standard of honesty, integrity and ethical and law abiding behaviour in
 - a) Performing their duties and
 - b) Dealing with any Officer, Agent, Employee, Shareholder, Customer, Supplier, Auditor, Lawyer and Advisor of the Company.
- ii) Foster a culture of honesty, integrity and ethical and law abiding behaviour among other Officers and Employees.
- iii) Exercise the care, diligence and skill of a reasonably prudent person under comparable circumstances.
- iv) Ensure to enhance and maintain the reputation of the company
- v) Strive to contribute toward the growth, stability and service that the company seeks to provide to its consumers, members, stakeholders and society in general.
- vi) Conduct themselves in a professional, courteous, and respectful manner at all times.

vii) Make available to and share with fellow directors all information as may be relevant to ensure proper conduct and sound operation of the company.

Directors and Senior Management Members shall deal on behalf of the Company with professionalism, honesty, integrity as well as high moral and ethical standards. Such conduct shall be fair, ethical and transparent enough to be perceived as such by others.

The Directors and Senior Management Members shall not conduct themselves in such a manner as would be construed to be an incident of sexual harassment at the workplace. They shall not use abusive or offensive language at the workplace or any such location connected to official business and shall extend full cooperation and valuable assistance to other employees of the Company in accomplishing their goals in alignment with the goals and objectives set by the Company.

b. Conflict of Interest

The Company's Directors and Senior Management Members must be aware of potential conflicts between (directly or indirectly) :-

a) On the one hand

- i) the interest of the Company; or
- ii) their duties to the Company and

b) On the other hand

- i) their personal or external business interests; or
- ii) their duties to any third party

- Every Directors and Senior Management Members must avoid placing himself or herself in a position that may lead to an actual or a potential conflict of interest or duty or a reasonable perception of an actual or potential conflict of interest or duty.
- Every Director and Senior Management Member must fully and frankly inform the Board of any personal or external business interest that may lead to an actual or potential conflict of interest or duty or a reasonable perception of an actual or a potential. conflict of interest of duty and obtain and follow independent legal advice to avoid or resolve any actual, potential or perceived conflict of interest or duty.
- Directors and Senior Management Members shall not accept (directly or indirectly) compensation (in any form) for services performed for the Company from any source other than the Company.
- Directors and Senior Management Members shall not engage in any activity that interferes with their performance or responsibilities to the Company, or is otherwise in conflict with or prejudicial to the Company.

c. Financial Reporting

The Directors and the Senior Management Members shall manage the affairs of the Company with better accountability to shareholders and achieve transparency of operations with disclosure of both financial and non-financial data through annual and other periodical reports.

The Directors and Senior Management Members shall ensure that the company prepares and maintains its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs.

Internal accounting and audit procedures shall fairly and accurately reflect all of the company's business transactions and disposition of assets. All required information shall be accessible to company auditors and other authorized parties and government agencies.

d. Related Party Transactions

Director or Senior Management Members or any of their relatives/associates should not derive any undue personal benefit or advantage by virtue of his position or relationship with the Company. As a general rule, Directors and Senior Management Members should void conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Any dealings with a related party must be conducted in such a way that no preferential treatment is given and adequate disclosures are made as required by law and as per the applicable policies of the Company.

e Insider Trading

Directors/Senior Management Members having inside Information about the Company shall not sell, purchase or otherwise trade in stock, derivatives or other securities of the Company or disclose such information to another person.

Director and Senior Management Members and their immediate families shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the company, which is not in the public domain and thus constitutes insider information. Directors and Senior Management Members are required to comply with the Company's Code of Conduct on prevention of Insider trading.

f. Emphasizing Diligence

Independent Directors should ensure that they have the requisite time, training and facilities to adequately discharge their duties and responsibilities. Further, they would have to disclose their other significant commitments, if any, which are likely to affect or interfere with the proper functioning of themselves and the Board.

g. Equal Opportunity And Employment

The Company is committed to a policy of equal employment opportunity so as to assure that there shall be no discrimination or harassment against an employee or applicant on the grounds of race, color, religion, sex, age, marital status, disability, national origin, or any other factor made unlawful by applicable laws and regulations. This policy relates to all phases of employment including recruitment, hiring, placement, promotion, transfer, compensation, benefits, training, educational, social and recreational programs and the use of Company facilities. Sexual harassment is specifically prohibited. Directors and Senior Management Members shall ensure due compliance.

The Directors/Senior Management Members shall practice a conduct that promotes equality of gender, class, caste and opportunity and should promote the same values and also exercise their duties in a manner that encourages healthy, personal and career growth of the employees of the Company.

h. Protection of Environment

The Company is committed to conduct its business in a manner that values the environment and helps to ensure the safety and health of its Directors or Employees. It is the Company's policy to comply with or applicable environmental safety and health laws and regulations; to apply reasonable standards where such laws or regulations do not exist; and to seek ways to achieve excellence in these critically important areas. The Company will strive to implement industry recognized best Practices wherever possible.

The Directors/ Senior Management Members shall, in their decision asking process, respect the necessity of protecting the environment around them, of the Country and of the global environment as a whole and in doing so, shall ensure compliance of the applicable laws, rules and regulations.

i. Sharing of Information

The Director/Senior Management Members shall not give any statement/information to the press or any other form of media without due authorization from the Board or its Chairman or the Managing Director.

All public disclosures, including forecasts, press releases, speeches, and other communications, will be honest, accurate, timely and representative of the facts.

E. COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS

Every Director and Senior Management Members must comply and where applicable, oversee compliance by employees with all the laws, rules and regulations applicable to the Company and its employees. Each Director must acquire appropriate knowledge of the requirements relating to his duties sufficient to enable him to recognize potential non compliance issues and to know when to seek advice from the Legal Experts on specific Company policies and procedures.

- Every Director and Senior Management Members must
 - (a) Comply with the letter and spirit of any applicable law, rule or Regulation
 - (b) comply with the protocols, policies and procedures of the company including its corporate code of conduct;
 - (c) Encourage other Officers or Employees to do the same and
 - (d) not encourage or shall commit or condone an illegal act or instruct another employee etc. to do so.

F. DUTY OF CONFIDENTIALITY

- Any information acquired by Director or Senior Management Members while performing their duties is confidential information of the Company and must be kept strictly confidential. A Director or Senior Management Members must not disclose information to a third party except where the disclosure is (a) authorized by the Board or (b) required by Law or a Regulatory Body (including a relevant Stock Exchange).

- The confidentiality obligations of each Director and Senior management Members shall continue after he or she ceases to be associated with the Company.

G. REPORTING

Company Secretary shall be the Compliance Officer for the purpose of this code. Directors and Senior Management Members are required to report observed violations of the Code and illegal or unethical behaviour to the Compliance Officer. All reports will be treated in a confidential manner and it is Company's policy to not allow retaliation for reports made in good faith of misconduct by others. In accordance with an established, documented & approved process the Company will undertake review & where appropriate, investigations of alleged violations or misconduct.

H. DISCIPLINARY ACTIONS

The matters covered in this Code of Business Conduct and Ethics are of the utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. We expect all of our Directors and Senior Management Members to adhere to these rules in carrying out their duties for the Company.

The Company will take appropriate action against any Director and Senior Management Members whose actions are found to violate these policies or any other policies of the Company. Disciplinary actions may include immediate termination of directorship, employment or business relationship at the Company's sole discretion.

I. WAIVERS & AMENDMENTS

Any waiver of any provision of this code for a Member of the Company's Board of Directors or a Senior Management must be approved in writing by the Company's Board of Directors and appropriately disclosed. Based on the business requirements and applicable regulations the code may be amended by the Board of Directors from time to time.

J. DUTIES OF INDEPENDENT DIRECTORS

A. Guidelines of professional conduct of independent directors as per Schedule IV of the Companies Act, 2013

An independent director shall

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his 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;
6. 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;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9. assist the company in implementing the best corporate governance practices.

B. Role and functions of independent directors as per Schedule IV of the Companies Act, 2013

The independent directors shall

1. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. bring an objective view in the evaluation of the performance of board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

C. Duties of independent directors as per Schedule IV of the Companies Act, 2013

The independent directors shall

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2. 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;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the company;
6. 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;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. 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;
10. 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;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the company,
13. 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.

ACKNOWLEDGEMENT

All Board Members and Senior Management Members shall acknowledge the receipt of this code in the acknowledgement form appended to this Code indicating that they have received, read and understood, and agreed to comply with the code and send the same to the Compliance Officer. New Directors and new Senior Management Appointees will submit such an acknowledgment at the time when their directorship/ employment begin.

ACKNOWLEDGMENT OF RECEIPT OF CODE OF BUSINESS CONDUCT AND ETHICS

I have received and read the Company's Code of Business Conduct and Ethics. I understand the standards and policies contained in the Company Code of Business Conduct and Ethics and understand that there may be additional policies or laws specific to my job or role. I further agree to comply with the Company Code of Business Conduct and Ethics.

If I have questions concerning the meaning or application of the Company Code of Business Conduct and Ethics, any Company policies, or the legal and regulatory requirements applicable to my role or job, I know I can consult the Compliance Officer or the Human Resources Department knowing that my questions or reports to these sources will be maintained in confidence.

Name: _____ Designation: _____
Signature: _____
Date: _____

Please sign and return this form to the Compliance Officer.