



CODE OF CONDUCT

(Pursuant to Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013)
(As reviewed and approved by the Board of Directors on 30th May, 2022)

APPLICABLE TO ALL DIRECTORS AND SENIOR MANAGEMENT

1. Preamble

Bannari Amman Sugars Limited is committed to conduct its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The company is committed to be a good corporate citizen.

The Directors, officers and employees of the Company must not only comply with applicable laws, rules and regulations but should also strive to promote honesty in conducting business. They must abide by the policies and procedures that govern the conduct of the Company's business. The company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards.

2. Conflicts of Interest

A conflict situation may arise where, directly or indirectly:

- a. an independent judgement of the company's interest cannot be exercised.
- b. an employee accepts any personal benefits or gifts or entertainment beyond the customary level either by himself or through his family as a result of his position in the company from any person/company with which the Company has business dealings.
- c. an employee engage in any business activity that detracts an individual's ability to devote appropriate time and attention to his responsibilities with the Company.
- d. any significant ownership interest in any supplier, customer or competitor of the Company
- e. any employment relationship with any supplier, customer, business associate or competitor of the Company.

The Directors, Officers and employees should avoid 'conflicts of interest' with the Company. In case there is likely to be a conflict of interest, he should disclose all facts and circumstances thereof to the Board of Directors or any officer nominated for this purpose by the Board and a prior written approval should be obtained.





3. Financial Reporting and Records

The professional and ethical conduct in the matter of financial affairs is essential for the proper functioning of the company. The Officers and employees engaged in the finance functions should act with honesty and integrity. The persons in-charge for finance and accounting function should prepare and maintain company's accounts fairly and accurately in accordance with generally accepted guidelines, principles, standards, laws and regulations applicable to the company. Internal accounting and audit procedures shall fairly and accurately reflect all of the company's business transactions and disposition of assets. There shall be no wilful omissions of the company transactions from the books and records. Any wilful material misrepresentation or misinformation on the financial accounts and reports shall be regarded as a violation of this code.

4. Protecting Company Assets

The assets of the company should not be misused but employed only for the purpose of conducting the business for which they are authorised. All Directors, officers and employees should strive to protect Company's assets and property and ensure its efficient use. Assets should be used only for the company's business activities.

5. Advancing interest of the Company

Directors, officers and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. They should not use company's property, information or position for personal gains. All Directors, Officers and employees of the company must strive to perform best at all times.

6. Integrity and Honesty

The Directors, officers and employees shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct in the Company's premises. They shall act and conduct free from fraud and deception. Their conduct shall conform to the professional standards of conduct.

7. Fair Deal

Each Director, officer, and employee should deal fairly with customers, suppliers and competitors. They should not take unfair advantage of anyone through manipulation, concealment, abuse of confidential, proprietary or trade secret information, misrepresentation of material facts, or any other unfair practices.





8. Health, Safety, Environment and Social Responsibility

Bannari Amman Sugars Limited shall strive to provide a safe and healthy working environment and comply with all regulations regarding the preservation of the environment in and around its manufacturing facilities and other points of operation. The company is committed to prevent the wasteful use of natural resources and minimise any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

9. Confidentiality

The Directors, officers and employees shall maintain the confidentiality of information or that of any customer, supplier or business associates of the Company to which Company has a duty to maintain confidentiality, except when disclosure is authorized. The use of confidential information for his own advantage or profit is also prohibited.

10. Compliances

The Directors, officers and employees shall comply with all applicable laws, rules and regulations. Transactions relating to sale or purchase of company's equity shares should not be undertaken without complying the formalities contained in the company's code of internal procedures and conduct for prevention of insider trading. If any Director, officer or employee who knows of or suspects of a violation of applicable laws, rules or regulations or this Code of conduct, he must immediately report the same to the Board of Directors or any designated person thereof. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation.

All officers should adhere the code of conduct and ethics of the company. Violations of this Code of Ethics will result in disciplinary action, which may even include termination of services of the employee. The Board of Directors or any person designated by the Board for this purpose shall determine appropriate action in response to violations of this Code of ethics.





BANNARI AMMAN SUGARS LIMITED

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of Independent Directors.

I. Guidelines of professional conduct:

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.

II. Role and functions:

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. scrutinize 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.

III. Duties:

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. act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
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.

IV. Separate meetings:

1. The Independent Directors of the Company shall hold at least one meeting in a financial year, without the attendance of Non-Independent Directors and members of management;
2. All the Independent Directors of the Company shall strive to be present at such meeting;
3. The meeting shall:
 - (a) review the performance of non-Independent Directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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