

EUROTEX INDUSTRIES AND EXPORTS LIMITED

REGD. OFFICE: 1110, RAHEJA CHAMBERS, 11TH FLOOR, 213, NARIMAN POINT, MUMBAI – 400 021

PHONE : (022) 6630 1400 E-MAIL : eurotex@eurotexgroup.com WEBSITE : www.eurotexgroup.com

CIN : L70200MH1987PLC042598

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

1. Introduction:

This Code is aimed to inculcate the spirit of Corporate Governance Principles in the affairs of the Company. The Primary purpose of this Code is to encourage and promote ethical conduct on the part of Board Members and Senior Management Personnel. The adherence of this Code is essential for conducting the business of the Company as per Corporate Values of the Company.

2. Honest and Ethical Conduct

The Directors / Senior Management personnels shall act in accordance with the highest standards of personal and professional intergrity, honesty and ethical conduct. The dealings of Directors / Senior Management while managing the affairs of the Company shall be free from any fraud or misuse of the office or any resources of the Company.

3. Applicability:

This Code shall be applicable to the following persons:

- Whole-time Directors including the Chairperson of the Company.
- All Non-Executive Directors including Independent Directors unless specifically exempted from some provisions of this Code.
- All Employees in the category of Managers / Functional heads and above of Eurotex Industries and Exports Limited (hereinafter referred to “Senior Management Personnel”).
- The Whole-time Directors and Senior Management Personnel should continue to comply with other applicable / to be applicable policies, rules and procedures of the Company.

4. Affirmation of Compliance of the Code

All Board Members and Senior Management Personnel shall within 30 days of close of every financial year affirm compliance with the Code. The Annual Compliance Report shall be forwarded to the Compliance Officer of the Company.

5. Philosophy

Basic philosophy of the Code of Conduct has been guided by the practices of good Corporate Governance followed by the Company. The core values of the Company are:-

- Commitment to excellence
- Integrity including intellectual honesty, openness, fairness and trust
- Care for people

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- Dynamic and successful business organization
- A Socially-valued enterprise
- Business integrity

The Code of Conduct therefore aligns around the said core values and the commitment to maintain the highest standards in its interface with all stakeholders, society at large and the environment.

6. Key Requirements

The Board Members and Senior Management Personnel must act within the authority conferred upon them and in the best interests of the Company and observe the following Code of Conduct:

- Shall act honestly, diligently and in good faith and integrity in all their dealings with and for the Company.
- Shall act in accordance with highest standards of integrity, fairness and ethical conduct while working for the Company as well as while representing the Company without their judgment being subordinated and also to fulfill their fiduciary obligations.
- Shall not involve themselves in making any decision on a subject matter in which a conflict of interests arises or could arise, between their personal interest and the interests of the Company. In the event of apprehending such conflict of interests the relevant facts shall be disclosed in writing, explaining the circumstances that would create or could create the conflicts of interests to:
 - (a) the Board of Directors in the case of Directors (Whole-time and Non-Executive) and
 - (b) Chief Financial Officer in the case of Senior Management Personnel for further directions in the matter.
- Shall avoid having any personal financial interests in works or contracts awarded by the Company.
- Shall avoid any relationship with a contractor or supplier (either directly or indirectly such as through a family member or other person or organization with which they are associated) that could compromise the ability to transact business on a professional, impartial and competitive basis or that may influence decision to be made by the Company.
- Shall not hold any positions or jobs or engage in outside business or other interests that adversely affect the performance of duties of the Company. Whole-time Directors and Senior Management Personnel are expected to devote their full

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attention to the business interests of the Company and as, more particularly, subject to terms and conditions laid down in their respective contracts / appointment letters.

- Shall not exploit for their own personal gain, the opportunities that are discovered through Company's business, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and General Manager as the case may be.
- Shall not seek to accept directly or indirectly any gifts from anyone having business dealings with the Company.
- Shall immediately bring to the notice of the Board about any unethical behaviour, suspected fraud or violation of the Company's policies.
- Shall be free to pursue any kind of civil / political activities and can become Member or Office Bearers of any Trade Organization so long as it does not adversely affect or is detrimental to the business interest of the Company.
- Shall comply with all applicable laws, rules and regulations and any violation thereon may make them personally liable. Directors and Senior Management Personnel may be subjected to disciplinary action by the Company for violation of provisions of law.
- Shall become and remain familiar with Eurotex Industries and Exports Limited and the economic and competitive environment in which the Company operates and understands Eurotex business plan, strategies and objectives.
- Shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain and therefore constitute insider information. The Board Members and Senior Management Personnel shall make timely disclosures of:
 - (i) Trading in the shares of the Company,
 - (ii) Transactions having personal interest, and
 - (iii) Related party transactions that are required to be made under laws, rules and regulations and Code of Conduct / Internal Procedure for prevention of Insider Trading in the Securities of Eurotex Industries and Exports Limited.
- Any information concerning the Company's business, its customers, suppliers, etc, which is not in the public domain and to which the Board Members and Senior Management Personnel have access or possesses such information, must be considered confidential and held in confidence, unless authorized to do so and

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when disclosure is required as a matter of law. No Board Member and Senior Management Personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specifically authorized.

- Shall be committed to shareholders' value and shall strictly comply with all regulations and laws that govern shareholders' right.
- The shareholders shall be informed about all relevant aspects about the Company's business and disclose such information as may be required from time to time in accordance with applicable rules and regulations.
- Non-executive Directors who are categorized as Independent Directors shall inform the Board in case of changes in their interest which impacts their independence as a Board Member or of any conditions which may interfere with their ability to perform their Board or Board Committee duties.

7. Conflict of Interest:

The interest shall mean membership, directorship, professional relationship such as a consultant or otherwise, or any affiliation or association, with or in any other entity. It shall also include direct concern in any past, present or proposed contract, arrangements, or dealings with the Company or its subsidiaries or affiliates. The indirect interest shall include the interest of the relative, partner or any affiliate of the Directors / Senior Management or his relative or affiliate holds a controlling stake, significant office or has a considerable influence over its affairs. The term 'relative' shall mean the persons mentioned under Section 2 (77) of the Companies Act, 2013.

A conflict of interest is a situation in which interest of the Directors / Senior Management conflicts, with the interest of the Company or its subsidiaries or affiliates or customers. If in the course of the business, any interest of the Directors / Senior Management detrimentally conflicts with the smooth and profitable conduct of the affairs of the Company or its Subsidiaries or affiliates, the Directors/Senior Management shall disclose such conflict to the Compliance Officer and take all the necessary steps to resolve or avoid such conflict. None of the Directors/Senior Management shall make any profit or gain in the event of and as result of such conflict. The Directors / Senior Management shall make adequate and timely disclosure of all their interests to the Compliance Officer. If such transactions are material to the Company, they shall be placed before Audit Committee for review. Any dealing with related party must be conducted on an arms length basis and on commercial terms and no preferential treatment shall be given.

The Directors / Senior Management should attempt to plan their business and personal affairs so as to avoid conflicts to the greatest extent possible, and, in those cases where a conflict cannot be avoided, they should fully disclose the circumstances of the conflict to the Compliance Officer and abstain from participation in any decision making by the Company in connection with any transaction giving rise to the conflict.

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8. Financial Reporting and Records

The Directors shall ensure that the Accounting and Financial Records of the Company adhere to the prevailing and applicable Accounting Standards and Generally Accepted Accounting Practices and Conventions that are prudent so as to give a true and fair view of affairs of the Company. The Directors shall ensure that there exist adequate internal controls, accounting and audit procedures for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. None of the Directors / Senior Management shall make or shall cause to be made, any willful misrepresentation in any Accounting and Financial records of the Company.

9. Enforcement of Code of Conduct:

The Company Secretary shall be the Compliance Officer for the purpose of this Code.

Each Board Member and Senior Management Personnel shall be accountable for fully complying with this Code.

Compliance Officer shall report breach of this Code, if any, which comes to his notice to the: (i) Board in the case of all Board Members and (ii) Chief Financial Officer in the case of Senior Management Personnel.

The Company shall ensure confidentiality and protection to any person who has, in good faith, reported a violation or has suspected violation of law, of this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation.

Penalty for breach of this Code by Senior Management Personnel shall be determined by the Chief Financial Officer. In case of breach of this Code by the Wholetime or Non-Executive Directors, the same shall be examined by the Board of Directors for initiating appropriate action as deemed necessary.

10. Waiver and Amendments of the Code:

- No waiver of any of the provisions of this Code shall be valid unless the Board of Directors of the Company approves such waiver in case of Board Members and by Chief Financial Officer in the case of Senior Management Personnel.
- The provisions of this Code can be amended by the Board of Directors of the Company from time to time.