

UDAY JEWELLERY INDUSTRIES LIMITED

CODE OF CONDUCT

Preamble

This Code of Conduct sets forth the general expectations of the Company for its Board of Directors, and describes standards of ethical behavior that each Director is expected to uphold. It helps ensure compliance with legal requirements, management's principles of business process and conduct. The code is intended to serve as a basis for ethical decision making in the conduct of professional work. This code, consisting of imperatives formulated as statements of personal responsibility identifies the elements of commitment and dedication.

All directors must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its stakeholders.

Applicability

This Code of Conduct shall be applicable to the Board of Directors; and all members of management, one level below the executive directors, including all functional heads.

Compliance with the Code

The Directors shall consciously adhere to and adopt this Code in true letter and spirit. The Code shall at all times conform to the requirements of the applicable laws. The Company will modify the Code to reflect the changes required by any

applicable law with a written notice of any such change to the Directors.

Honesty, Integrity, Responsibility & Accountability in Performance of Duties:

The Directors shall act:

- ❖ honestly, fairly, ethically and with integrity;
- ❖ in good faith, responsibility, due care, competence, diligence and with full accountability for their action;
- ❖ In a professional, courteous and respectful manner.

Conflict of interest

The Directors shall not engage in any business or activity, which may be in conflict with the interest of the company. If such a situation arises, the Directors shall act in the best interest of the Company. Such situations may arise amongst others if any officer engages in a business activity/employment, which interferes with the performance of his duties towards the Company or otherwise is in conflict with, or adversely affects the business of the Company.

Financial Reporting and Records

The Company shall prepare and maintain 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 procedure shall fairly and accurately reflect all of the company's business transactions and disposition of assets. All required

information shall be accessible to Company's auditors and other authorized parties and government agencies. There shall be no willful omissions of any Company transactions from the books and records, no advance income recognition and no hidden bank account and funds.

Any willful material misrepresentation of and/ or misinformation in the financial accounts and reports shall be regarded as a violation of this code, apart from inviting appropriate action under the laws.

Confidentiality

The Directors shall not use, disclose and divulge to a third party, directly or indirectly, any confidential information, acquired in the course of their service as Director, for their personal advantage or for the advantage of any other entity.

Prohibition on Insider Trading

No officer shall, either on his own behalf or on behalf of any other person, deal in securities of the Company when in possession of any *Unpublished Price Sensitive Information* and communicate, counsel or procure, directly or indirectly any *unpublished price sensitive information* to/from any person, except where the communication required is in the ordinary course of business or profession or employment or under any law.

No officer of the Company shall use or proliferate information which is not available to the investing public and which therefore constitutes insider information for making or giving advice on investment decisions on the securities of the Company, which such insider has obtained, like:

- ❖ Acquisition and divestment of business or business units;
- ❖ Financial Information such as profits, earnings and dividends;
- ❖ Announcement of new product introductions or developments;
- ❖ Asset revaluations;
- ❖ Investment decisions/ plans;
- ❖ Restructuring plans;
- ❖ Major supply and delivery agreements;
- ❖ Raising finance

Shareholders

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

Health, Safety & Environment

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

Use of Corporate Information, Opportunities and Assets

Directors may not compete with the Company or use opportunities that are discovered through the use of Company information or their position with the Company for their own personal benefit or for the benefit of persons or entities

outside the Company. Directors may not waste or improperly use any Company asset.

Compliance with applicable laws

The Directors shall comply with all laws, rules and regulations, as may be applicable to the Company from time to time, in true letter and spirit.

Enforcement and disciplinary actions

The Code is of paramount importance to the Company, its stakeholders and its business partners. Therefore, all Directors should scrupulously adhere to this Code. The Company will take appropriate disciplinary action for willful or deliberate non-compliance with this Code of Conduct.

Every officer shall be responsible for the implementation of and compliance with this code in his professional environment. Failure to adhere to the code could attract most severe consequences including termination.

Reporting of Violations

Directors should communicate any suspected violations of this Code promptly to the Chairperson of the Audit Committee. Suspected violations shall be investigated by or at the direction of the Board or the Audit Committee, and appropriate action shall be taken in the event that a violation is confirmed.

Waiver

Waivers of a provision of this Code can only be made by the Board of Directors, and shall be granted only in very

exceptional circumstances. The Company shall disclose any such waiver and the reasons for it, in accordance with legal and regulatory requirements. A Director who becomes aware of a circumstance that may require a waiver shall promptly bring the circumstance to the attention of the Chairperson of the Audit Committee.

Continual Updation of the Code

This code is subject to continuous Updation and review in line with any changes in law, company's vision and philosophy, business plan or otherwise as may be deemed necessary by the Board.