

## **CODE OF CONDUCT FOR DIRECTORS AND SR. MANAGEMENT**

Indowind Energy Limited committed to the highest standards of corporate governance in all its activities and processes. It regards corporate governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

At the heart of Company's corporate governance policy is the ideology of transparency and openness in the effective working of the Management and Board.

In furtherance of this policy, the Board of Directors has adopted this 'Code of Conduct for Board Members and Senior Management Executives' (**'the Code'**) on 16<sup>th</sup> day of April, 2008.

One of the objects of the Code is compliance of provisions of Clause 49 of the Listing Agreement with Stock Exchanges.

### **Preamble: -**

All Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decision and policies in the best interests of the Company and its shareholders / Stakeholders.

With a view to Maintain the high standards that the company requires, the following rules / code of conduct should be observed in all activities of the board. The company appoints Director as compliance officer for the purposes of the code, who will be available to directors and senior management to answer questions and to help them comply with the code.

### **Applicability**

1. The Code is applicable to -

- a. All the Directors of the Company; and
- b. All the executives of the Company (not being Directors) from the rank of Assistant Vice President and above including all Functional Heads (**'Senior Management Executives'**).

However, the provisions shall apply to Executive and Non-Executive Directors including Independent Directors only to such extent, as may be applicable, depending on their respective roles and responsibilities.

### 1) Honesty & Integrity :-

All Directors shall conduct their activities, on behalf of the company and on their personal behalf, with honesty, integrity and fairness. All directors will act in good faith, responsibility, with due care, competence and diligence, without allowing their independent judgment to be subordinated. It shall be the first and foremost duty of every Director and Senior Management Executive to uphold interests of the Company and its stakeholders and to endeavor to fulfill all the fiduciary obligations towards them.

### 2) Conflict of Interest: -

Directors on the board of the company shall not engage in any business, relationship or activity, which may be in conflict of interest of the company or the group.

Conflicts can arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Set forth, are some of the common circumstances that may lead to a conflict of interest, actual or potential -

- a) Directors should not engage in any activity / employment that interferes with the performance or responsibility to the company or is otherwise in conflict with or prejudicial to the company.
- b) Directors and their immediate families should not invest in a company, customer, supplier, developer or competitor and generally refrain from investments that compromise their responsibility to the company.
- c) Directors should avoid conducting company business with a relative or with a firm/ company in which a relative / related party is associated in any significant role.  
If such related party transaction is unavoidable, it must be fully disclosed to the board or to the CFO of the company.

### 3) Guidelines for conduct

The Directors and Senior Management Executives shall –

- a) Act within the authority conferred upon them.
- b) Exercise independent judgment on issues of strategy, performance and policy matters.
- c) Dedicate sufficient time and attention to the Company's business to ensure diligent performance of their duties.
- d) Endeavor to attend all the meetings of the Board and its Committees of which they are members or invitees.
- e) Read in advance the material distributed for constructive deliberations at the meetings.

f) Actively participate *in* the discussion and decision making at the meetings.

**4) Compliance: -**

Directors are required to comply with all applicable laws, rules and regulations, both in letter and in spirit. In order to assist the company in promoting lawful and ethical behavior, directors must report any possible violation of law, rules, regulation or the code of conduct to the company secretary.

**5) Other Directorship :-**

The Company feels that serving on the boards of Directors of other companies may raise substantial concerns about potential conflict of interest. And therefore, all directors must report / disclose such relationship to the Board on an annual basis. It is felt that service on the board of director competitor is not in the interest of the company.

**6) Confidentiality of Information :-**

Any information concerning the company's business, its customers, suppliers etc., which is not in the public domain and to which the director has access or possesses such information, must be considered confidential and held in confidence, unless authorized to do so when disclosure is required as a matter of law. No director shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized.

**7) Insider Trading :-**

Any director of the Company shall not derive benefit or assist others to derive by giving investment advice from the access to an possession of information about the company, not in public domain and therefore constitutes insider information. All directors will comply with insider trading guidelines as issued by SEBI.

**8) Gift & Donations :-**

No director of the company shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business (or uncompetitive) favour or decisions for the conduct of business. Nominal gift of commemorative nature, for special events may be accepted and reported to the Board.

**9) Protection of Asset :-**

Directors must protect the company's assets, labour and information and no member of board and Senior Management will use these for personal use, unless approved by the Board.

#### **10) Periodic Review :-**

Once every year or upon revision of this code, every director must acknowledge and execute an understanding of the code and an agreement to comply. New Directors will sign such a deed at the time when directorship begins. The Board may amend the provisions of this Code from time to time. Unless otherwise specified, such amendments shall be effective from the date of the Board meeting at which such amendments are approved.

The Board has, at its absolute discretion, the power to waive compliance with any or all of the provisions of the Code.

#### **11) Affirmation**

All the Directors and Senior Management Executives shall affirm compliance with the Code on annual basis within 15 days of close of every financial year ending on 31 March. The Annual Affirmation (as per format specified hereunder) shall be forwarded to the Company Secretary of the Company within the said period of 15 days.

#### **12) Enforcement**

The Board has the power to investigate, in such manner as it may deem fit, any breach or violation or alleged breach or violation of the Code.

The Board also has the absolute power to determine penalty for the same, as it may consider appropriate under the circumstances.

Such penalty may be in addition to the penalty levied under any law for the time being in force for such breach or violation.

#### **13) No rights created**

This Code is neither intended to nor does it create any right in favour of any Director, Senior Management Executive, client, supplier, customer or shareholder of the Company or any other person or entity, whatsoever.

The above Code has been established and taken on record in the minutes of the Board.