

**CODE OF CONDUCT FOR DIRECTORS  
AND SENIOR MANAGEMENT  
OF WEBSOL ENERGY SYSTEM  
LIMITED**

## **1. PREAMBLE**

Regulation 17(5) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) stipulates that the Board of Directors of every listed company shall lay down a code of conduct for all Board members and Senior Management personnel of the Company.

This code of conduct (“**code**”) is intended to provide guidance to the Board of Directors and senior management personnel to manage the affairs of the company in the ethical manner. The purpose of this code is to recognize and deal with ethical issues and to provide mechanisms to report unethical conducts of Employee, Board of Directors and Senior Management Personnel and to develop a culture of honesty and accountability.

This Code may be amended by the Board of Directors of the Company from time to time provided that such revised Code complies with the Listing Regulations.

## **2. DEFINITIONS**

“**Board**” or “**Board of Directors**” shall mean the Board of Directors of the Websol Energy System Limited.

“**Company**” shall mean Websol Energy System Limited (WEBSOL)

“**Compliance Officer**” shall mean the Company Secretary of the Company and in his absence any senior officer, so designated by the Board for the purpose of compliance with the Code.

“**Directors**” shall mean a member of the Board.

“**Listing Regulations**” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**Senior Management**” shall mean officers/personnel of the Company who are members of the core management team excluding the Board of Directors and shall comprise all members of management one level below the executive directors, including all functional heads.

## **3. APPLICABILITY OF THE CODE**

The Code applies to all the members of Board of Directors and all the members of the Senior Management of the Company.

The independent directors of the Company are subject to certain additional duties as laid down by the Companies Act, 2013.

The Code has been formulated and approved by the Board and is to be strictly observed by the Directors and Senior Management of the Company for the governance of good corporate practices. Any issue relating to the interpretation of the Code will be handled by the Board.

The Company Secretary of the Company is appointed as the Compliance Officer under the Code and will be available to answer any questions, provide clarification and to help in ensuring compliance with the Code.

#### **4. GUIDELINES FOR CONDUCT**

Every person to whom the Code is applicable, shall conduct the affairs of the Company and perform his duties with due care, diligence, dignity, honesty and integrity and shall confirm to the highest moral and ethical standards and at all time, be loyal to the Company and act in good faith and in the best interest of the Company.

##### **Every member of the Board of Directors of the Company should-**

- Act in accordance with the Articles of Association of the Company.
- Act in good faith in order to promote the objects of the Company for the benefit of its members as a whole and in best interest of the Company, its employees, the shareholders, the community and for the protection of the environment.
- Exercise his/her duties with due and reasonable care, skill and diligence and shall exercise independent judgement.
- Not involve in any situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- Not achieve or attempt to achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners or associates and if such director is found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain to that Company.
- Not assign his/her office and any assignment so made shall be void.
- Dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, include preparing the meetings and decision-making by reviewing in advance any materials distributed and making reasonable enquiries.
- Where the decision is not unanimous, a dissenting Director may disclose the fact that he/she dissented.

##### **Every member of the Board of Directors of the Company and Senior Management of the Company should-**

- Seek to comply with all Corporate Policies
- Conduct themselves in a professional, courteous and respectful manner.
- Act in a manner to enhance and maintain the reputation of the Company.
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service except when authorized or legally required to disclose such information.
- Not use confidential information acquired in the course of their service for their personal advantage.

## **5. CONFLICT OF INTEREST**

### **General Guidance**

The Directors and senior management personnel are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A Conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment on behalf of the Company. General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below. Directors & the senior management personnel are required to disclose to the Board any situation that may be, or appear to be, a conflict of interest. When in doubt, Disclosure is the best way out

#### **(a) Outside Employment:**

Executives Directors and Senior Management personnel shall not work for or receive payments for services from any competitor, customer, distributor or supplier of the Company without approval of the Board. Any outside activity must be strictly separated from the company's employment and should not harm job performance at the company. The Executive Directors and the Senior Management personnel shall devote themselves exclusively to the business of the Company and shall not accept any other work or assignment (part-time or otherwise).

#### **(b) Board Memberships**

Acceptance of Directorship on the Boards of other Companies, which compete, with the Company amounts to conflict of interest. Helping the community by serving on Boards of non-profit or welfare organizations is encouraged, and does not require prior approval.

#### **(c) Family Members and Close Personal Relationships**

Directors and Senior Management personnel shall not use personal influence to make the Company do business with a company/institution in which his or her relatives are interested. As a general rule, Directors and Senior Management personnel shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board of Directors and a prior approval shall be obtained.

**(d) Gifts (Gifts are not always physical objects—they might also be services, favors or other items of value.)**

The Directors and Senior Management personnel shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panelist /speaker and other customary gifts are allowed. Gifts on behalf of the Company -Some business situations call for giving gifts. These gifts shall be legal, reasonable. Directors and senior Management personnel shall not pay bribes. It is understood that gift giving practices vary among cultures and countries. Directors and Senior Management personnel shall not provide any gift if law or the policy of the recipient's organization prohibits it. For example, the associates of many government entities around the world are prohibited from accepting gifts.

**(e) Investments**

Directors and Senior Management personnel may not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director or Senior Manager has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party.

**(f) Diversion of Business:**

Directors and Senior Management personnel shall not divert business opportunities of the Company, by exploiting for their own personal gain. However the Directors and Senior Management personnel can pursue such business opportunities once they are fully disclosed to the company and the company declines to pursue such opportunities. (g). Use of Company's assets: The assets of the Company shall be used for legitimate business purposes and shall not be used for personal purposes. Incidental personal use, if reasonable, does not amount to violation of the code.

**6. CONFIDENTIALITY**

Directors and Senior Management should maintain the confidentiality of information entrusted to them by the Company.

The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the Director or Senior Management or anyone other than the Company.