

CODE OF ETHICS FOR DIRECTORS, SENIOR MANAGEMENT AND OTHER EMPLOYEES

(revised by the Board of Directors in its Meeting held on 28th January, 2015)

1. INTRODUCTION

Havells India Limited is committed to conduct its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. This Code of Ethics is applicable to all the Directors, Senior Management and other employees of Havells India Limited, as well as to other employees of the Group. It helps in maintaining and following the standards of business conduct of the Company. The purpose of the Code is to deter wrongdoing and promote ethical conduct in the Company. These are essential so that we can conduct our business in accordance with our stated values.

Ethical business conduct is critical to a business. Accordingly, Employees of the Company are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with: all applicable laws; rules and regulations and all applicable policies and procedures adopted by the Company that govern the conduct of its employees. The directors and officers of the Company must not only comply with applicable laws, rules and regulations but should also promote honest and ethical conduct of the business. They must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance, and to maintain a work environment that encourages the stakeholders to raise concerns to the attention of the management.

For any further clarifications they may contact Head of HR / Secretarial Department of the Company.

As it is applicable to all the employees, they should sign the acknowledgment form at the end of this Code and return the form to the HR department indicating that they have received, read and understood, and agreed to comply with the Code.

2. HONEST AND ETHICAL CONDUCT

All Officers are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, not only on Company's premises and offsite but also at company sponsored business, social events as well as any places.

Honest conduct is understood as such conduct that is ethical, free from fraud or deception and conforming to the accepted professional standards. Ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

3. CONFLICTS OF INTEREST

A conflict situation can arise:

- a. When an employee, officer, or director takes action or has interests that may make it difficult to perform his or her work objectively and effectively,
- b. The receipt of improper personal benefits by a member of his or her family as a result of one's position in the Company,
- c. Any outside business activity that detracts an individual's ability to devote appropriate time and attention to his or her responsibilities with the Company,
- d. The receipt of non-nominal gifts or excessive entertainment from any person/company with which the Company has current or prospective business dealings,
- e. Any significant ownership interest in any supplier, customer, development partner or competitor of the Company,
- f. Any consulting or employment relationship with any supplier, customer, business associate or competitor of the Company.

The directors, officers and employees should be scrupulous in avoiding 'conflicts of interest' with the Company. In case there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Board of directors or any Committee / officer nominated for this purpose by the Board and a prior written approval should be obtained.

4. CORPORATE OPPORTUNITIES

Directors, officers and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. Directors, officers, and employees are expressly prohibited from:

- a. Taking for themselves personally, opportunities that are discovered through the use of Company's property, information, or position,
- b. Competing directly with the business of the Company or with any business that the Company is considering.
- c. Using Company's property, information, or position for personal gain. If the Company has finally decided not to pursue an opportunity that relates to the Company's business activity, he/she may pursue such activity only after disclosing the same to the Board of directors or the nominated person/committee.

5. CONNECTION WITH PRESS/TV/RADIO

The Chairman and Managing Director will appoint a Sr. Level officer of the Company as 'Spokesman' who would interact with the media/ radio/ press. No other officer except with the permission of CMD will make any statement in press/ media. No officer of the Company can criticize the Company in any article / in radio/ TV broadcast etc.

6. CONFIDENTIALITY

The directors, officers and employees shall maintain the confidentiality of confidential information of the Company or that of any customer, supplier or business associate of the Company to which Company has a duty to maintain confidentiality, except when disclosure is authorized or legally mandated. The Confidential information includes all non-public information (including private, proprietary, and other) that might be of use to competitors or harmful to the Company or its associates. The use of confidential information for his/her own advantage or profit is also prohibited.

7. FAIR DEALING

The Company is an equal opportunity employer providing equal access to employment opportunities and fairness in dealings at all levels without discrimination on the basis of race, colour, religion, gender, nationality, disability or age.

Each director, officer, and employee should deal fairly with customers, suppliers, competitors, and employees of group companies. 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 dealing-practices.

8. PROTECTION AND PROPER USE OF COMPANY'S ASSETS

All directors, officers and employees should protect Company's assets and property and ensure its efficient use. Theft, carelessness, and waste of the Company's assets and property have a direct impact on the Company's profitability. Company's assets should be used only for legitimate business purposes.

9. COMPANY FUNDS

Every Directors / Senior Management Personnel is personally responsible for all Company funds over which he or she exercises control. Company's representatives should not be allowed to exercise control over Company's funds. Company's funds must be used only for company's business purposes. Directors and Senior Management Personnel must not use the Company's funds for any personal purposes.

10. DISCLOSURE

Our policy is to provide full, fair, accurate, timely, and understandable disclosure in reports and documents that are filed with, or submitted to any outside agency and in our other public communications. Accordingly, the Officers must ensure that they and others in the Company comply with company's disclosure controls and procedures, and our internal controls for financial reporting.

11. COMPLIANCE WITH GOVERNMENTAL LAWS, RULES AND REGULATIONS/ INTERNAL COMPANY POLICIES

Officers must comply with all applicable governmental laws, rules and regulations. Officers must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance department. Officers must comply with the company's internal policies including the Company's POLICY for Prohibition of Insider Trading as applicable to them with respect to the purchase and sale of the Company's securities. Further, the Independent Directors shall specifically comply with all the duties enumerated under Schedule IV to the Companies Act, 2013, as may be in force from time to time.

12. VIOLATIONS OF THE CODE

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/she must immediately report the same to the Board of Directors or any designated person/committee 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.

Violations of this Code of Ethics will result in disciplinary action, which may even include termination of services of the employee. The Company's Board or any Committee/person designated by the Board for this purpose shall determine appropriate action in response to violations of this Code of Ethics.

13. INTERPRETATION OF CODE

Any question or interpretation under this Code of Ethics and Business Conduct will be handled by the Board or any person /committee authorised by the Board of the Company. The Board of Directors or any designated person/committee has the authority to waive compliance with this Code of business conduct for any director, officer or employee of the Company. The person seeking waiver of this Code shall make full disclosure of the particular circumstances to the Board or the designated person/ committee.

14. WAIVERS AND AMENDMENTS OF THE CODE

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. Any amendment/ inclusion or waiver of any provision of this Code must be approved by the Company's Board of Directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

15. ACKNOWLEDGMENT

- **NO-CONSIDERATION IN RECRUITMENT PROCESS**

The entire recruitment, selection and joining process followed by the company was completely transparent and highly appreciable. I have neither been asked for nor have I given any favour nor have I paid any consideration, monetary or otherwise, to any officer of the company or to any other person whomsoever during and for my recruitment/selection by the company.

- **RECEIPT OF CODE OF ETHICS**

I have received and read the Company's Code of Ethics. I understand the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I understand I can consult the HR/ Secretarial Department, and that my questions or reports to these sources will be maintained in confidence.

Name and Designation

Signature

Date

Please sign and return this form to the HR department for filing in their respective file.