

UFO MOVIEZ INDIA LIMITED

(CIN:U22120DL2004PLC164728)

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CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

I. Introduction

UFO Moviez India Limited (the “**Company**”) is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics and ethical conduct. This code of conduct (this “**Code**”) reflects the business practice and principles of behaviour that support this commitment. The Board of Directors (the “**Board**”) and such personnel of the Company who are members of its core management team (excluding the members of the Board) comprising all members of management one level below the executive directors, including the functional heads (the “**Senior Management**”) are responsible for setting the standards of conduct contained in the Code and for updating these standards as appropriate to reflect legal and regulatory developments.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the rules thereunder as may be amended from time to time shall have the meaning respectively assigned to them therein.

This Code is intended to provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability. Every Director and member of Senior Management is expected to read and understand this Code and its application to the performance of his or her duties, functions and responsibilities.

Every Director and member of Senior Management shall:

- a) exhibit high standards of integrity, commitment and independence of thought and judgement;
- b) dedicate adequate time, energy and attention to ensure the diligent performance of his/her duties;
- c) make all reasonable efforts (to the extent required under applicable statutes/regulations) to attend Board or Board committee meetings and act in accordance with the Articles of Association of the Company;
- d) act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees and shareholders;

- e) exercise his / her duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- f) not involve in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
- g) not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his / her relatives, partners, or associates pursuant to his / her position as a Director or member of Senior Management of the Company and if such Director or member of Senior Management is found guilty of making any undue gain, he / she shall be liable to pay an amount equal to two times the gain to the Company and such other disciplinary action as may be decided by the Board;
- h) not assign his / her office, and any assignment so made shall be void; and
- i) comply with every provision of this Code.

II. Conflicts of Interest

Directors and Senior Management must avoid conflicts of interest. Directors and Senior Management should also be mindful of, and seek to avoid, conduct which could reasonably be construed as creating an appearance of a conflict of interest. While Directors and Senior Management should be free to make personal investments and enjoy social relations and normal business courtesies, they must not have any interests that adversely influence the performance of their duties, functions and responsibilities as Directors and Senior Management of the Company. A conflict of interest can arise when improper personal benefits accrue to a Director or member of Senior Management or a member of his/her immediate family as a result of his/her position as a Director or member of Senior Management of the Company. A conflict situation can also arise when a Director or member of Senior Management takes an action or has an interest that may make it difficult for him or her to perform his or her duties, functions and responsibilities objectively and effectively.

While the Code does not attempt, and indeed it would not be possible, to describe all conceivable conflicts of interest that could develop, the following are some examples of situations which may constitute conflicts of interest:

- a) Working, in any capacity, for a competitor, customer, supplier or other third party while occupying the position of a Director or Senior Management of the Company;
- b) Competing with the Company for the purchase or sale of property, products, services or other interests;
- c) Directing business to a supplier owned or managed by, or which employs, a relative or friend;
- d) Receiving loans or guarantees of obligations as a result of one's position as a Director or Senior Management;
- e) Accepting bribes, kickbacks or any other improper payments for services relating to the conduct of the business of the Company; and
- f) Accepting, or having a member of a Director's or Senior Management's family accept, a gift from persons or entities that deal with the Company,

where the gift is being made in order to influence the Director's or Senior Management's actions as a member of the Board or Senior Management, or where acceptance of a gift could otherwise reasonably create the appearance of a conflict of interest.

Conflicts of interest may not always be clear cut. Any question therefore about a Director's or Senior Management's actual or potential conflict of interest with the Company should be brought promptly to the attention of the Chairman of the Board or the Compliance Officer, who will review the question and determine a proper course of action, including whether consideration or action by the full Board is necessary. Directors or Senior Management involved in any conflict or potential conflict situations shall disclose such conflict or potential conflict to the Board and recuse themselves from any discussion or decision relating thereto.

III. Corporate Opportunity

Directors and Senior Management shall not:

- a) compete with the Company; or
- b) take for themselves personally any business opportunities that belong to the Company or are discovered through the use of corporate property, information or position; or
- c) use corporate property, information or position for personal gain.

IV. Confidentiality

All Directors and members of Senior Management must maintain the confidentiality of confidential information entrusted to them or disclosed or acquired by them in carrying out their duties and responsibilities, except where such disclosure is authorised by the Company or is required by laws, regulations or legal proceedings. The term "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company or harmful to the Company or its customers, if disclosed. Whenever feasible, Directors and Senior Management should consult the Chairman of the Board or the Compliance Officer if they believe they have a legal obligation to disclose confidential information.

V. Fair Dealing

Directors and Senior Management should endeavour to deal fairly with the Company's customers, suppliers, competitors, officers and employees. No Director or member of Senior Management shall take unfair advantage of the Company's customers, suppliers, competitors or employees through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. Gifts or entertainment in any form that is likely to result in a feeling of expectation of personal obligation should not be extended or accepted.

VI. Protection and proper use of Company's assets

Directors and Senior Management should perform their duties in a manner that protects the Company's assets and ensures their efficient use. The Company's assets should be used for legitimate business purposes.

VII. Reporting any illegal or unethical behaviour

Directors and Senior Management are encouraged to promptly contact the Chairman of the Board or the Compliance Officer if the Director or Senior Management believes that he or she has observed illegal or unethical behaviour by any employee, officer or director, or by any one purporting to be acting on the Company's behalf or any violation or possible violation of this Code and the reporting Director or Senior Management has any doubt as to the best course of action in a particular situation. Confidentiality will be maintained, to the extent permitted by law.

VIII. Public Company Reporting

As a public company, it is of critical importance that the Company's filings with the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Reserve Bank of India, the concerned Stock Exchange(s) on which the securities of the Company may be listed and/or other regulatory authorities be full, fair and accurate. The Directors and Senior Management shall provide information necessary to ensure that the Company's published reports meet these requirements. The Company expects Directors and Senior Management to provide prompt and accurate answers to enquiries relating to its public disclosure requirements. While making public disclosures, all material facts will be stated and there will be no concealment or misrepresentation of information or data.

IX. Record Keeping

All books, records, accounts and financial statements will be maintained in reasonable detail, appropriately reflect transactions and conform to both applicable legal requirements and systems of internal control.

X. Compliance with Law

Directors and Senior Management are required to comply with all applicable laws, rules and regulations, both in letter and spirit. In order to assist the Company in promoting lawful and ethical behavior, Directors and Senior Management must report to the Chairman of the Board or the Compliance Officer any possible violation of law, rules, regulations or provisions of this Code.

XI. Independent Directors

The independent directors of the Company shall adhere to schedule IV of the Companies Act, 2013 and fulfill the duties and responsibilities stated therein as follows:

A. Guidelines of professional conduct: An independent director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bona fide manner in the interest of the Company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6) not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly; and
- 9) assist the Company in implementing the best corporate governance practices.

B. Role and functions: The independent directors shall:

- 1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2) bring an objective view in the evaluation of the performance of Board and management;
- 3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) balance the conflicting interest of the stakeholders;
- 7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management; and

- 8) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

C. Duties: The independent directors shall:

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- 2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- 3) strive to attend all meetings of the Board and of the committees of the Board of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the Company;
- 6) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 7) keep themselves well informed about the Company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that such transactions are in the interest of the Company;
- 10) ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- 12) acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
- 13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

D. Separate meetings

- 1) The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- 2) All the independent directors of the Company shall strive to be present at such meeting;
- 3) The meeting shall:
 - i) review the performance of non-independent directors and the Board as a whole;

- ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- iii) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

E. Evaluation mechanism

- 1) The performance evaluation of independent directors shall be done by the entire Board, excluding the director being evaluated.
- 2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

XII. Compliance

All Board members and Senior Management shall affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Compliance Officer, in the form annexed hereto as Annexure I. The Annual Report of the Company shall contain a declaration to this effect signed by the Chief Executive Officer or Managing Director or Joint Managing Director of the Company.

XIII. Disclosure

This Code shall be publicly disclosed as required by applicable law or regulation, including by publishing it on the website of the Company.

XIV. Amendment, Modification and Waiver

This Code may be amended, modified or waived only by the Company's Board of Directors. As a general policy, the Board will not grant waivers to the Code. This Code may, from time to time be extended to other senior officers of the Company, as the Board may think fit.

ANNEXURE I

ANNUAL COMPLIANCE REPORT

UFO MOVIEZ INDIA LIMITED

CODE OF CONDUCT FOR
DIRECTORS AND SENIOR MANAGEMENT

ANNUAL COMPLIANCE REPORT*

Ido hereby solemnly affirm that to the best of my knowledge and belief I have fully complied with the provisions of the CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT during the financial year ending March 31

Signature : _____
Name : _____
Designation : _____
Date : _____
Place : _____

* To be submitted by 30th April each year.
