

R M DRIP AND SPRINKLERS SYSTEMS LIMITED
CODE OF CONDUCT
FOR
BOARD OF DIRECTORS
AND
SENIOR MANAGEMENT PERSONNEL

1. INTRODUCTION:

This Code of Conduct (hereinafter referred to as “the Code”) has been framed and adopted by R M Drip and Sprinklers Systems Limited (hereinafter referred to as “the Company”) in terms with the provisions of Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors are required to lay down a code of conduct for all Members of Board of Directors and Senior Management of the Company. In view of the very nature of Code of Conduct, every Senior Functionary is expected to comply it in its letter and spirit.

2. APPLICABILITY:

The Code applies to the Board of Directors (hereinafter referred to as “Board”) and the Senior Management Team of the Company one level below the Executive Directors and all other executives having similar or equivalent rank in the Company. The Company Secretary shall be the Compliance Officer for the purpose of this Code.

The Code shall be posted on the website of the Company.

3. THE PURPOSE OF A CODE OF CONDUCT

A code is a comprehensive collection of laws, instructions or precepts on a given subject area and a code of conduct is a comprehensive statement of the guiding principles of conduct by which a Company expects its directors to behave when carrying out their work. Such a code states the values for which the Company stands and by which it professes to do its business. A code of conduct states publicly to customers, shareholders, competitors and all those who come into contact with the Company what standards of dealing they can expect from the Company.

4. CODE OF CONDUCT:

The Board Members and Senior Management Personnel shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement. The board of directors of the Company shall have the following responsibilities in terms of Regulation 4(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(i) Disclosure of information:

(1) Members of board of directors and key managerial personnel shall disclose to the board of directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the listed entity

(2) The board of directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision making.

(ii)Key functions of the board of directors-

(1)Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.

(2)Monitoring the effectiveness of the listed entity's governance practices and making changes as needed.

(3)Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.

(4)Aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.

(5)Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.

(6)Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.

(7)Ensuring the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

(8)Overseeing the process of disclosure and communications.

(9)Monitoring and reviewing board of director's evaluation framework.

(iii)Other responsibilities:

(1)The board of directors shall provide strategic guidance to the listed entity, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.

(2)The board of directors shall set a corporate culture and the values by which executives throughout a group shall behave.

(3)Members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.

(4)The board of directors shall encourage continuing directors training to ensure that the members of board of directors are kept up to date.

(5)Where decisions of the board of directors may affect different shareholder groups differently, the board of directors shall treat all shareholders fairly.

(6)The board of directors shall maintain high ethical standards and shall take into account the interests of stakeholders.

(7)The board of directors shall exercise objective independent judgement on corporate affairs.

(8)The board of directors shall consider assigning a sufficient number of non-executive members of the board of directors capable of exercising independent judgement to tasks where there is a potential for conflict of interest.

(9)The board of directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the listed entity to excessive risk.

(10)The board of directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.

(11)When committees of the board of directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the board of directors.

(12)Members of the board of directors shall be able to commit themselves effectively to their responsibilities.

(13)In order to fulfil their responsibilities, members of the board of directors shall have access to accurate, relevant and timely information.

(14)The board of directors and senior management shall facilitate the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors.

5. COMPLIANCE AND ENFORCEMENT:

It is the personal responsibility of every director to understand and comply with this Code of Conduct. Any breach of the code will be promptly dealt with by the Board of the Company. Channels of complaint are open to shareholders and potential shareholders, customers and suppliers, contractors and directors and employees of the Company. All complaints will be considered impartially and efficiently.

6. UPDATION BASED ON AMENDMENTS TO APPLICABLE LAWS:

The provisions under this Code shall stand modified as and when any amendments /insertions are made by the statutory, regulatory and such other authorities from time to time.