

Sujana Towers Limited

CODE OF CONDUCT FOR DIRECTORS & KEY MANAGERIAL PERSONNEL

Introduction:

Sujana Towers Limited (a "Company") is committed to maintain the highest standards of ethical conduct. This Code of Conduct for Directors reflects the business practices and principles of behavior that support this commitment. Our Board of Directors 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. We expect every director to read and understand this Code and its application to the performance of his or her responsibilities. We will hold each of our directors accountable for adherence to this Code.

All Directors, Key and Senior Managerial Personnel should sign the acknowledgement form at the end of this Code and return the form to the HRD Department indicating that they have received, read and understood and agreed to comply with the Code. The signed acknowledgement form will be filed in each Officer's personal file.

This Code of Conduct applies to:

- (a) all the Directors of Sujana Towers Limited (**Company**); and
- (b) all the Key and Senior Managerial Personnel of the Company i.e who are of the rank of General Manager and above including all functional heads who have the opportunity to materially influence the integrity, strategy and operations of the business and financial performance of the Company.

In terms of the Listing Agreement all the Board Members and the Key and Senior Managerial Personnel should affirm compliance with the Code on an annual basis. The Annual report of the Company shall contain a declaration to this effect and signed by the Chairman-cum-Managing Director.

2. Purpose

The Company's reputation depends on the conduct of its Directors, Senior Executives and its employees. Every employee who is associated with the Company must play a part in maintaining Sujana's reputation for the highest ethical standards.

The purpose of this Code of Conduct is apart from meeting the requirements of Listing Agreement with the Stock Exchanges is to:

- (a) articulate the high standards of honesty, integrity, ethical and law abiding behaviour expected of Directors and Senior Executives;

- (b) encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers and creditors and society at large);
- (c) guide Directors and Senior Executives as to the practices thought necessary to maintain confidence in the Company's integrity; and
- (d) set out the responsibility and accountability of Directors and Senior Executives to report and investigate any reported violations of this code or unethical or unlawful behaviour.

It is impossible to spell out every possible ethical scenario. The Directors and Senior Executives should rely on their discretion, judgment and skill expected from a reasonably prudent person under comparable circumstances.

This Code of Conduct will provide Directors and Key and Senior Managerial Personnel only general guidance on the standards of conduct expected of them including guidelines on conflict of interests.

Compliance Officer:

The Secretary of the Company has designated as its Compliance Officer to administer this Code. Directors, at their discretion, may make any report or complaint provided for in this Code to the Chairman of the Board of the Company or to the Compliance Officer. The Compliance Officer will refer complaints submitted, as appropriate, to the Chairman of the Company.

Compliance With Applicable Laws:

Directors must comply with all of the laws, rules and regulations of India and other countries, as well as the states, counties, cities, and other jurisdictions, applicable to the Company or its business. This Code does not summarize all laws, rules and regulations applicable to the Company or its business. The Directors are required to follow various rules and regulations, including Corporate Laws, Securities Laws concerning disclosure requirements and insider trading and other applicable laws. Directors should consult with the Chairman of the Board or the Compliance Officer if they have questions about laws that they think may be applicable to the Company or its business.

Conflicts Of Interest:

A "conflict of interest" may exist whenever the interests of a director conflict in any way (or even appear to conflict) with the interests of a Company. While our directors 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 responsibilities. A conflict situation can arise when a director takes actions or has interests that may make it difficult to perform his or her Company responsibilities objectively. Conflicts of interest also

may arise when a director, or a member of his or her family, receives improper personal benefits as a result of his or her position with a Company, whether received from that Company or a third party. Although it is not always possible to avoid conflicts of interest, it is each Company's policy to prohibit such conflicts when possible. Conflicts of interest may not always be clear-cut, so if directors have a question, they are encouraged to consult with the Chairman of the Board or the Compliance Officer. Any director who becomes aware of a conflict or potential conflict should bring it to the attention of the Chairman of the Board or the Compliance Officer.

Corporate Opportunity:

Except as may be approved by the Board of Directors or a committee of independent directors, directors are prohibited from

- (a) taking for themselves personally any opportunities that belong to the Company or are discovered through the use of corporate property, information, or position;
- (b) using corporate property, information, or position for personal gain; and
- (c) competing with the Company.

Confidentiality:

All directors must maintain the confidentiality of confidential information entrusted to them by the Company, except when the applicable Company authorizes disclosure or 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 should consult the Chairman of the Board or the Compliance Officer if they believe they have a legal obligation to disclose confidential information.

Fair Dealing:

Each director should endeavor to deal fairly with the respective Company's customers, suppliers, competitors, officers and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice. Inappropriate use of proprietary information, misusing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. A director must perform his or her duties in good faith, acting honestly, free from the intention to defraud.

Protection And Proper Use Of Company Assets:

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

Accounting Complaints:

The Audit Committee of the Board of Directors are responsible for establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters. Directors who have concerns or complaints regarding such matters are encouraged to promptly submit those concerns or complaints to the Compliance Officer, subject to its duties arising under applicable law, regulations and legal proceedings, will treat such submissions confidentially. Such concerns or complaints may be made anonymously.

Reporting Any Illegal Or Unethical Behavior:

Directors are encouraged to promptly contact the Chairman of the Board or the Compliance Officer if the director believes that he or she has observed illegal or unethical behavior by any employee, officer, or director, or by anyone purporting to be acting on Company's behalf and, the reporting director has any doubt about the best course of action in a particular situation. Any such reports may be made anonymously. Confidentiality will be maintained, to the extent permitted by law.

Public Company Reporting:

As public companies, it is of critical importance that the Company's filings with the Registrar of Companies, Stock Exchanges and Securities and Exchange Board of India be full, fair, accurate, timely, and understandable. Directors may be asked to provide information necessary to assure that the Company's public reports meet these requirements. The Company expects its directors to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

Amendment, Modification And Waiver:

This Code may be amended, modified, or waived by the Company's Board of Directors, subject to the disclosure and other provisions of the Securities and Exchange Board of India, and the rules there under and the applicable rules of the Bombay Stock Exchange Limited.