VIVID GLOBAL INDUSTRIES LIMITED

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

VIVID GLOBAL INDUSTRIES LIMITED

CIN L24100MH1987PLC043911

REVISED CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

1. Introduction:

1.1 This Code of Conduct ("this Code") shall be called "The Code of Conduct for Board Members and Senior Management Personnel" of VIVID GLOBAL INDUSTRIES Limited (hereinafter referred to as "the Company").

1.2 The subject Code has been framed specifically in compliance with the provisions of Clause 49 of the listing agreement with stock exchanges.

1.3 The purpose of this Code is to further enhance the ethical and transparent process in managing the affairs of the Company.

1.4 The revised Code shall come into force with effect from the 1st day of October, 2014.

2. Definitions & Interpretations:

2.1 The term "Board Members" shall mean Directors on the Board of Directors of the Company.

2.2 The term "Whole-time Director / Executive Director" shall be the Directors on the Board of Directors of the Company who are in whole-time employment of the Company.

2.3 The term "Non-Executive Director" shall mean Directors on the Board of Directors of the Company who are not in whole time employment of the Company.

2.4 "Independent Directors" shall mean an Independent Director as per the provisions of the Companies Act, 2013 and Listing agreement (as revised from time to time).

2.5 The term "Conflict of Interest" means where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.

2.6 In this Code, words importing the masculine shall include feminine and words importing singular shall include the plural or vice versa.

2.7 "Senior Management Personnel" shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this

shall comprise all members of management one level below the Executive Director(s), including all functional heads, irrespective of their designation.

3. Applicability:

3.1 This Code shall be applicable to the following persons:

- Board of Directors.
- Senior Management Personnel.

4. Duties of the Directors of the Company:

4.1 The Directors of the Company shall adhere to the following duties as prescribed under the Companies Act, 2013 –

- Subject to the provisions of the Companies Act, 2013 ("the Act"), Directors of the company shall act in accordance with the Articles of Association of the Company.

- Directors of the Company shall 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, the shareholders, the community and for the protection of environment.

- Directors of the Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

- Directors of the Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.

- Directors of the Company shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their 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 the Company.

- Directors of the Company shall not assign his office and any assignment so made shall be void.

5. Code for Independent Directors:

The Independent Directors of the Company shall abide by this Code and adhere to the following standards as set out under the Act for fulfillment of their responsibilities in a professional and faithful manner –

5.1 **Guidelines of professional conduct:**

The Independent Directors shall -

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising his duties;
- exercise his responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 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;
- 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;
- refrain from any action that would lead to loss of his independence;
- where circumstances arise which make an Independent Director lose his independence, the Independent director must immediately inform the Board accordingly;
- assist the Company in implementing the best corporate governance practices.

5.2 **Role and functions:**

The Independent Directors shall -

- 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;
- bring an objective view in the evaluation of the performance of Board and management;
- scrutinise the performance of management in meeting a greed goals and objectives and monitor the reporting of performance;
- satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

- safeguard the interests of all stakeholders, particularly the minority shareholders;

- balance the conflicting interest of the stakeholders;

- 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;

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

5.3 **Duties of Independent Directors:**

The Independent Directors shall -

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;

- 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;

- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

- participate constructively and actively in the committees of the Board in which they are chairpersons or members;

- strive to attend the general meetings of the Company;

- 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;

- keep themselves well informed about the Company and the external environment in which it operates;

- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;

- 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;

- report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;

- acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;

- 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.

6. Code for Senior Management Personnel:

6.1 The Senior Management Personnel agree to the following:

- To act in accordance with the highest standard of personal and professional integrity, honesty and ethical conduct in the discharge of duties and responsibilities.

- To use reasonable care and skill in the discharge of duties and responsibilities and exercise of powers for the benefit and prosperity of the Company.

- To have a clear understanding of the aims and objective, capabilities and capacity and various policies of the Company.

- To devote full time and attention to the business interests of the Company.

- To avoid and disclose actual and apparent conflicts of personal interest with the interests of the Company and to disclose all contractual interest, whether directly or indirectly, with the Company.

- Not to accept employment / directorship with the suppliers, customers or competitors of the Company and not to take part in any activity that enhances or supports a competitor.

- Not to make investment in any customer, supplier or competitor of the Company that may compromise on his responsibilities to the Company and any such investment shall be with prior and full disclosure to the Company.

- To avoid conducting Company business with a relative or with a business in which a relative is associated in any role.

- Not to divert to his own advantage any business opportunity that the Company is in pursuit.

- Not to accept any offer, payment or anything of value from customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to influence any business decision.

- Not to compete, whether directly or indirectly, with the Company.

- To promote professionalism in the Company.

- To maintain confidentiality of the Company's business.

- Not to charge personal expenses to the Company.

7. Waiver and Amendments of the Code:

7.1 Any waiver or amendment of any provision of this Code of Conduct must be placed for approval before the Company's Board of Directors.

8. Insertion of the Code in website:

8.1 As required by Clause 49 of the listing agreement, this code and any amendments thereto shall be posted on the website of the Company.

9. Affirmation of compliance of the Code:

9.1 In terms of Clause 49 of the listing agreement, all Board Members and Senior Management Personnel shall within 30 days of close of every financial year affirm compliance with the Code. A proforma of Annual Compliance Report is annexed to this Code as **Appendix - I**. The Annual Compliance Report shall be forwarded to the Compliance Officer of the Company.

10. Acknowledgement of receipt of the Code:

10.1 All Board Members and Senior Management Personnel shall acknowledge the receipt of this Revised Code in the Acknowledgement Form annexed to this Code in **Appendix - II** indicating that they have received, read and understood, and agreed to comply with the Revised Code and send the same to the Compliance Officer.

APPENDIX – I

VIVID GLOBAL INDUSTRIES LIMITED

ANNUAL COMPLIANCE REPORT

REVISED CODE OF CONDUCT FOR BOARD MEMBERS & SENIOR MANAGEMENT PERSONNEL

To
The Compliance Officer,
Vivid Global Industries Limited,
C/O. SUMICHEN CORPORATION, 1-D,
DHANNUR BLDG, SIR P.M ROAD, FORT,
MUMBAI 400001

I, _____, do hereby solemnly affirm that I have, in letter and spirit and to the best of my knowledge and belief, complied with the provisions of the REVISED CODE OF CONDUCT FOR BOARD MEMBERS / SENIOR MANAGEMENT PERSONNEL during the financial year ended March 31, 20__.

Signature: _____

Name: _____

Designation: _____

Date: _____

Place: _____

*** To be submitted by 30th April each year.**

APPENDIX – II

VIVID GLOBAL INDUSTRIES LIMITED

ACKNOWLEDGEMENT FORM

REVISED CODE OF CONDUCT FOR BOARD MEMBERS & SENIOR MANAGEMENT PERSONNEL

To
The Compliance Officer,
Vivid Global Industries Limited,
C/O. SUMICHEN CORPORATION, 1-D,
DHANNUR BLDG, SIR P.M ROAD, FORT,
MUMBAI 400001

I, _____, have received and read the Company's REVISED CODE OF CONDUCT FOR BOARD MEMBERS & SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature: _____

Name: _____

Designation: _____

Date: _____

Place: _____