

GRAPHITE INDIA LIMITED

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The reputation of GIL is one of its greatest assets. It is important for us to protect and nourish this reputation. With the aforesaid view, the Board of Directors (“Board”) and the Senior Management Personnel of GIL have subscribed to the following Code of Conduct. This Code of Conduct serves as a guide on the values, ethics and business principles expected of him or her in their personal and professional conduct to perform their duties. All the directors and Senior Management Personnel of GIL are required to comply with this Code of Conduct. This Code of Conduct, augmented by our policies and procedures sets forth guiding principles for how we are to behave and how we are to interact to keep our reputation intact.

GIL Code of Conduct

A. All Directors and Senior Management Personnel of GIL shall:

- (a) 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.
- (b) exercise duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (c) not involve themselves in situations which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (d) not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates and if any person is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (e) unless otherwise approved in writing by GIL, not assign their office and any assignment so made shall be void.
- (f) disclose personal interests that conflict with the interests of GIL and not participate in discussion and voting on such matters.
- (g) not engage in any conduct which is likely to bring discredit to GIL.
- (h) 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disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board of Directors of GIL or required by law.

It is hereby clarified that an independent director shall be liable for any breach of this Code only to the extent provided in the Listing Agreement

B. All Independent Directors of GIL shall

- (a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (b) be at liberty to 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;
- (c) strive to attend all meetings of the Board of Directors of GIL and of the committees of which he is a member;
- (d) participate constructively and actively in the committees of the Board of Directors of GIL in which they are chairpersons or members;
- (e) strive to attend the general meetings of the company;
- (f) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board of Directors of GIL and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of meeting of the Board of Directors of GIL;
- (g) endeavour to keep themselves well informed about the company and the external environment in which it operates;
- (h) not to unfairly obstruct the functioning of an otherwise proper Board of Directors of GIL or committee of the Board;
- (i) 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;
- (j) 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;
- (k) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (l) act within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

Senior Management Personnel will include all Officers of the rank of General Manager and above and Sr. Manager (Head of Barauni Plant).

This Code supersedes to Code of Conduct dated 27.01.2006

Date: 9th May, 2014