

S Kumar Online Limited
(Formerly Known as S kumar.Com Limited)

<p>CODE OF CONDUCT</p> <p>FOR</p> <p>BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL</p> <p>OF</p> <p>S KUMAR ONLINE LIMITED</p>

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 S Kumar Online Limited hereinafter referred to as “the Company”.

1.2 This code is in alignment with Company’s Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.

1.3 This Code for Board Members and Senior Management Personnel has been framed specifically in compliance with the provision of *[Regulation 17(5) of the Regulations or any amendments from time to time].

1.4 It shall come into force with effect from 1st October, 2014.

1.5 The Board of Directors adopted this Code of Conduct and Ethics as a Testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and the avoidance of conflict of interest.

1.6 This model code of conduct shall be reviewed by the Board from time to time in pace with the regulatory environment and any amendments to this Code shall be approved by the Board of Directors.

* Replace at Board of Directors meeting held on 11/02/2016. [Clause 49 of the Listing Agreements entered into by the Company with the Bombay Stock Exchange]

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2. PURPOSE

2.1 The Company's reputation depends on the conduct of its Board Members and Senior Management Personnel.

2.2 The purpose of this Code 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 behavior expected from Board Members and Senior Management Personnel;
- b) encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers, creditors and society at large);
- c) guide Board Members and Senior Management Personnel as to the practices thought necessary to maintain confidence in the Company's integrity; and
- d) set out the responsibility and accountability of Board Members and Senior Management Personnel to report and investigate any reported violations of this Code or unethical or unlawful behavior.

3. DEFINITION AND INTERPRETATION

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

3.1 The term "Board/Board of Directors" shall mean the Board of Directors of the Company.

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

3.3 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.

*[3.3A The term "Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.]

3.4 The term "Non-Whole-time Directors" shall mean the Board Members who are Part-time Directors and not in whole time employment of the Company.

3.5 The Term "Public Spokesperson" shall mean the Officer of the Company nominated as such under the Code of Corporate Disclosure Practices for Prevention of Insider Trading.

* Added at Board of Directors meeting held on 11/02/2016.

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3.6 The term “Relative” shall mean ‘relative’ as defined in Section 2 (77) read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014 or any re-enactment or modification thereof from time to time.

3.7 The term “Senior Management Personnel” shall mean employees of the Company who are members of its core management team excluding Board of Directors and would comprise all Executive Directors, Chief General Managers, General Managers and other Functional Heads.

3.8 The term “Whole-time Directors” shall mean the Board Members who are in whole-time employment of the Company.

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

4. APPLICABILITY

This Code shall be applicable to the following persons:

- a) All Whole-time Directors
- b) All Non-Whole-time Directors including Ex-officio Govt. Nominees unless specifically exempted from some provisions of this Code.
- c) Senior Management Personnel as defined in clause 3.7 of this Code.

5. CONFLICT OF INTEREST

The Board Members and the Senior Management Personnel shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company.

Conflicts can arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Set forth, are some of the common circumstances that may lead to a conflict of interest, actual or potential:

- Board Members/Senior Management Personnel should not engage in any activity/employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudice to the Company.
- Directors and their relatives should not invest in a company, customer, supplier, developer or competitor and generally refrain from investments that compromise their responsibilities to the Company.

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- Directors should avoid conducting Company's businesses with a relative or with a firm/Company in which a relative/related party is associated in any significant role.
- If such related party transaction is unavoidable, it must be fully disclosed to the board or to the Chairman/WTD of the Company.

6. COMPLIANCE OF LAW

The Board Members and Senior Management Personnel shall comply with all laws, rules and regulations relating to the business of the Company.

7. PREVENTION OF INSIDER TRADING

The Board Members and Senior Management Personnel shall comply with the Code of Internal Procedures and conduct for prevention of Insider Trading in dealing with securities of the Company.

8. CORPORATE DISCLOSURE PRACTICES

The Code on Corporate Disclosure Practices regulates disclosure of "Unpublished Price Sensitive Information". The Public Spokesperson is responsible for overseeing and co-ordinating disclosure of "Unpublished Price Sensitive Information" to stock exchanges, analysts, shareholders and media including drafting of the press release or the text of the information to be posted on the Company's web-site/released to the press with the approval of the Director (Finance). No person except the Public Spokesperson or those authorized by the Public Spokesperson, shall disclose any information relating to the Company's Securities to analysts/research persons and institutional investors. The Board Members and Senior Management Personnel shall comply with the Code of Corporate Disclosure Practices.

9. RELATED PARTY DISCLOSURES

The Board Members and Senior Management Personnel shall make disclosure of related party transactions to the Board of Directors in the format provided under Accounting Standard 18 (AS-18) issued by the Institute of Chartered Accountants of India (ICAI) and/or any modification or recodification thereof and the board members shall also make disclosure of their interest on yearly basis and as and when such interest or concern arise as per provision of section 184 of the Companies Act, 2013 and rules made thereunder in this regard.

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10. DUTIES FOR INDEPENDENT DIRECTORS AS LAID DOWN IN THE COMPANIES ACT, 2013.

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 of Directors and of the Board committees 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 the same 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;
- (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.

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11. CONFIDENTIALITY OF INFORMATION

Any information concerning the Company's business, its customers, suppliers, etc. to which the Board Members and Senior Management Personnel have access or which are in their possession, must be considered confidential and held in confidence.

No Board Member and Senior Management Personnel shall provide any information either formally or informally, to the press or any other media, unless specifically authorized. Provided that Board Members and Senior Management Personnel shall in consultation/under intimation to the Public Spokesperson of the Company be free to disclose such information which is:

- a) part of the public domain at the time of disclosure; or
- b) authorized or required to be disclosed pursuant to a decision of the Board or any of its Sub-Committees; or
- c) required to be disclosed in accordance with applicable laws, rules, regulations, guidelines, or directions from the regulatory authorities.

12. PROTECTION OF ASSETS

The Board Members and Senior Management Personnel shall protect the Company's assets including physical assets, information and intellectual rights and shall not use the same for personal gain.

13. AMENDMENTS TO THE CODE

The provisions of this Code can be amended/modified by the Board of Directors of the Company from time to time and all such amendments/modifications shall take effect from the date stated therein.

14. PLACEMENTS OF THE CODE ON WEBSITE

Pursuant to Regulation 47 of the Regulations, this Code and any amendment thereto shall be hosted on the website of the Company.

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15. ANNUAL COMPLIANCE REPORTING

15.1 In compliance of *[Regulation 26(3) of the Regulations], all Board Members and Senior Management Personnel shall affirm compliance of this Code within 30 days of close of every financial year. The Annual Report of the company shall contain a declaration to this effect signed by the Chairman or Whole Time Director. A proforma of Annual Compliance Report is at Appendix-I. The Annual Compliance Report shall be forwarded to the Company Secretary. If any Director/Senior Management Personnel leaves the Company any time during a financial year, he shall send a communication to Company Secretary affirming compliance of the Code till the date of his association with S Kumar Online Limited.

15.2 The Chairman or Whole Time Director of the Company and the Chief Financial Officer or any other person heading the finance function shall certify to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of this Code.

16. CONSEQUENCES OF NON-COMPLIANCE OF THIS CODE

16.1 In case of breach of this Code by the Non Whole-time Directors, the same shall be considered by the Board of Directors for initiating appropriate action, as deemed necessary.

16.2 In case of breach of this Code by the Whole-time Directors and Senior Management Personnel, the same shall be dealt with as given in clause 15.1 of this code.

17. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE

All Board Members and Senior Management Personnel shall acknowledge receipt of this Code or any modification(s) thereto, in the acknowledgement form as given in **Appendix-II** and forward the same to the Company Secretary indicating that they have received, read, understood and agreed to comply with this code.

* Replace at Board of Directors meeting held on 11/02/2016. [Clause 49 of the Listing Agreement]

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APPENDIX-I
CODE OF CONDUCT
FOR
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL
ANNUAL COMPLIANCE REPORT*

I do 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 BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March, _____.

Signature.....

Name

Designation.....

Date.....

Place.....

*To be submitted by 30th April each year.

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APPENDIX-II
CODE OF CONDUCT
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ACKNOWLEDGEMENT FORM

I....., have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND 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.....
