

UB ENGINEERING LIMITED

CODE OF BUSINESS CONDUCT AND ETHICS

PURSUANT TO REVISED CLAUSE 49 OF THE LISTING AGREEMENT ADOPTED BY THE BOARD OF DIRECTORS ON DECEMBER 31, 2005 AND AMENDED ON NOVEMBER 19, 2014

Introduction

The Board of Directors (the “Board”) of UB Engineering Limited (the “Company”) has adopted the following Code of Business Conduct and Ethics (the “Code”) for Directors of the Company (“Directors”) and all employees of the rank of Vice-President and above (“Covered Employees”). The Board of Directors has the right to expand/amend the extent and coverage of employees under this Code.

The Company is committed to ethical and lawful business conduct and perceives it as critical to the Company’s success. The Company will uphold ethical and legal standards while pursuing its objectives. Consistent with these principles, the Company’s Board has adopted the Code for compliance both in letter and spirit by all Directors and Covered Employees. While it is not possible to anticipate every situation or circumstance that may arise, the Code is intended to serve as a broad guide. The Board reserves the right to amend, alter or terminate the Code at any time and for any reason, subject to applicable law.

Directors/Covered Employees who violate/deviate from the requirements of the Code will attract disciplinary action which may include termination of office /employment.

In performing their functions, Directors and Covered Employees will:

- Act with integrity, probity, honesty, transparency and with utmost good faith.
- Actively assist in implementing the Company’s Objectives and creating an organization that is responsive, positive and driven by business and social needs.

(1) Compliance with Laws, Rules and Regulations

All Directors and Covered Employees must respect and obey all the applicable laws of the countries in which the Company operates. Violations of laws, rules and regulations may subject Directors/Covered Employees to individual criminal or civil liability, in addition to disciplinary action by the Company, apart from subjecting the Company to liability and/or loss of business.

(2) Conflicts of Interest

A “conflict of interest” exists when personal interest interferes in any way with the interests of the Company. As a general rule, Directors/Covered Employees should avoid actual or apparent conflicts of interest between their personal and professional relationships. A situation of conflict of interest arises when a Director/Covered Employee has interests that may make it difficult to perform his or her company work objectively and effectively. Another example of situation of conflict of interest is when a Director/Covered Employee or

members of his or her family, receives personal benefits as a result of his or her position in the Company.

It is deemed to be a conflict of interest or independence for a Director/Covered Employee to work simultaneously for a competitor, customer or supplier. Directors/Covered Employees are not allowed to work for a competitor as a consultant or board member unless approved by the Board. Conflicts of interest are prohibited as a matter of Company policy, except in exceptional circumstances and with the prior approval of the Board and subject to limitations imposed by law. It is not possible to describe all situations of conflicts of interest that could arise. Conflicts of interest may not always be clear-cut, so if a Director/Covered Employee is unclear, he/she should seek guidance of his/her immediate superior and/or the Chairman of the Audit Committee.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers or suppliers. No costly/unusual gift or entertainment should be offered, given, provided or accepted by any Director/Covered Employee or his/her relatives.

Directors / Covered Employees may not use the Company's assets, labour or information for personal use except as outlined in Section 8, "Protection and Proper Use of Company Assets and Proprietary Information", or unless approved by the Chairman of the Audit Committee or as part of a compensation or expense reimbursement program available to all Directors/Covered Employees.

A Director's disclosure of interest under Section 184 of the Companies Act, 2013 shall be treated as sufficient compliance under this clause regarding situations of potential conflicts of interest (amended on November 19, 2014).

(3) Insider Trading

Directors/Covered Employees shall follow the rules/circulars issued from time to time governing the trading in securities of the company and group companies for prevention of "Inside Trading" pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 1992.

(4) Competition and Fair Dealing

The Company strives to outperform its competition fairly and honestly. Each Director/Covered Employee should deal fairly with the Company's customers, suppliers, competitors and employees and should not take unfair advantage of anyone through any intentional unfair-dealing practice. Pilfering proprietary information, possessing 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.

(5) Discrimination and Harassment

The Company is firmly committed to providing equal opportunity in all aspects of employment and any illegal discrimination or harassment of any kind is prohibited.

(6) Health and Safety

The Company strives to provide each employee with a safe and healthy work environment. Every Director/Covered Employee has responsibility for maintaining a safe and healthy workplace by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Being under the influence of illegal drugs and/or alcohol on the job is absolutely prohibited.

(7) Confidentiality

Directors/Covered Employees shall maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company that comes to them, from whatever source, in their capacity as Directors/Covered Employees, except when disclosure is duly authorized by the Chief Executive Officer or Chief Financial Officer or the Audit Committee or the Board of Directors or is required by laws or regulations. Confidentiality extends to information that suppliers and customers have entrusted to the Company. Use of confidential information for personal gain is strictly prohibited.

(8) Protection and Proper Use of Company Assets and Proprietary Information

All Directors/Covered Employees must endeavour to protect the Company's assets and ensure their efficient use. Any suspected incident of fraud or theft should be immediately reported to the Head of Human Resource Department and in appropriate cases, the Chairman of the Audit Committee for investigation. Company assets should not be used for personal use, though incidental personal use may be permitted when properly authorized.

The obligation of Directors/Covered Employees to protect the Company's assets includes protecting its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, designs and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records and unpublished financial data. Unauthorized use or distribution of this information is not only a violation of Company policy and the terms of employment with the Company, but could also be illegal and result in civil and/or criminal liabilities.

(9) Duties of Independent Directors

The independent Directors shall-

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- b) 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 and of the Board committees of which he is a member;
- d) participate constructively and actively in the committees of the Board 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 and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- g) 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 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) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- m) 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.

(Amended on November 19, 2014)

(10) Reporting any Illegal or Unethical Behavior

If any Director/Covered Employee believes that a violation of or significant deviation from the Code has occurred or has become unavoidable, he/she must contact the Head of the Human Resources Department and in appropriate cases the Chairman of the Audit Committee.

Use of the above reporting procedures in bad faith or in a false or frivolous manner will be considered a violation of the Code.

(11) Waiver of the Code

Any waiver of the Code or any provision of the Code for any Director/Covered Employee must be made only by the Board of Directors and disclosed as required by law or SEBI/Stock Exchange regulations.

(12) Compliance Procedures

Every Director and Covered Employee shall annually confirm on or before April 15 compliance of the Code in the prescribed form given in the Annexure.

ANNEXURE

Date:

To,

The Board of Directors

UB Engineering Limited

Sahyadri Sadan, Tilak Road,

Pune 411 030

Dear Sirs,

I, _____ am a Director/Covered Employee under the Code of Business Conduct and Ethics of the Company adopted by the Board of Directors on 31st December, 2005 and amended on November 19, 2014. I hereby affirm compliance with the said Code for the financial year_____.

Thanking You,

Yours truly,

Note: In case any Section of the Code has not been complied with, please state exact section and circumstances in which not complied and/or waiver granted by the Board, if any.