

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

PREAMBLE

The Code of Conduct is the written expression of the various expectations from the Board of Directors as well as Senior Management. All Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decision and policies in the best interest of the Company and its shareholders / stakeholders. All the concerned persons should understand this code and ensure to abide by it in their day-to-day activities. The Compliance Officer of the company will help all the directors and senior management to comply with the code.

HONESTY AND INTEGRITY

All Directors & Senior Management shall conduct their activities, on behalf of the Company, and on their own personal behalf, with honesty, integrity and fairness. All Directors & Senior Management will act in good faith, responsibility with due care, competence and diligence, without allowing their independent judgment to be subordinated. All the concerned people will act in the best interest of the company and fulfill the fiduciary obligations.

CONFLICT OF INTEREST

Directors and Senior Management on the Board of the Company shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company or the Group.

COMPLIANCE

All concerned persons are required to comply with all applicable laws, rules and regulations, both in letter and spirit.

OTHER DIRECTORSHIP

The Company feels that serving on the Board of Directors of other companies may raise substantial concern about potential conflicts of interest and, therefore, all the Directors must report/disclose such relationship to the Board on an annual basis.

CONFIDENTIALITY OF INFORMATION

Any information concerning the company's business, its customers, suppliers etc., which is not in public domain and to which all concerned persons have access or possesses such information, must be considered confidential and held in confidence, unless authorized to do so and when disclosure is

Sylph Technologies Ltd.

ST-4, "Press House" 22, Press Complex, A. B. Road,
INDORE (M.P.) 452008, INDIA, Phone: 0731-2571451
E-mail : info@sylphtechnologies.com; mhfl@bsnl.in
Url : www.sylphtechnologies.com
CIN: L36100MP1992PLC007102

required as a matter of law. No Director or Senior Management shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized.

INSIDER TRADING

Any Director or Senior Management of the Company shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the company, not in public domain. All Senior Management & Directors shall comply with Insider Trading Guidelines as issued by SEBI.

DUTIES OF DIRECTORS

The Directors are responsible for ensuring compliance with all applicable statutory requirements by the Company. The Board as a whole and the Directors as individuals owe certain fiduciary responsibilities to the Company as an entity and to its stakeholders. Directors are required to act in the best interests of all shareholders / stakeholders of the Company. All independent directors should follow the “Code for independent directors” given in Schedule IV of Companies Act, 2013 consisting of professional conduct, role and functions, duties etc.

Duties of Directors: As laid down in the Companies Act, 2013 under Section 166, the duties of directors are:

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- (2) A director of a 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.
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) A director of a 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.
- (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (6) A director of a company shall not assign his office and any assignment so made shall be void.

Duties of Independent Directors: As laid down in the Companies Act, 2013 under Schedule IV [section 149(8)], the independent directors shall—

Sylph Technologies Ltd.

ST-4, “Press House” 22, Press Complex, A. B. Road,
INDORE (M.P.) 452008, INDIA, Phone: 0731-2571451
E-mail : info@sylphtechnologies.com; mhfl@bsnl.in
Url : www.sylphtechnologies.com
CIN: L36100MP1992PLC007102

- (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 behavior, 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.

GIFTS AND DONATIONS

No Director or Senior Management of the Company shall receive or offer, directly or indirectly, any

Sylph Technologies Ltd.

ST-4, "Press House" 22, Press Complex, A. B. Road,
INDORE (M.P.) 452008, INDIA, Phone: 0731-2571451
E-mail : info@sylphtechnologies.com; mhfl@bsnl.in
Url : www.sylphtechnologies.com
CIN: L36100MP1992PLC007102

gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business.

KNOW AND RESPECT EXISTING LAWS

All concerned persons must obey existing local, state, national, and international laws to the utmost degree. They should also obey the policies, procedures, rules and regulations of the Company.

PROTECTION OF ASSETS

Directors must protect the Company's assets, labour and information and may not use these for personal use, unless approved by the Board.

INFORMATION AND COMMUNICATION TO THE BOARD

As Board Members, all Board of Directors of the Company are bound to inform the Board in their meetings of any changes in their other Board positions, Relationship with other businesses (including charitable) and other events/circumstances/conditions that may interfere with their ability to perform the Board/Board Committee duties or may impact the judgment of the Board as to whether the Directors do meet the independence requirements of Listing Agreement with Stock Exchange.

TEAM WORK

All Directors Senior Management shall work together on the principle of mutual trust and transparency in a boundary-less organization. All of them should be intellectually honest in advocating proposals, including recognizing risks.

UPHOLD AND PROMOTE THE PRINCIPLES OF THIS CODE

Treat violations of this code as inconsistent association with the organization. However, if any of the Directors and Senior Management do not follow this code by engaging in gross misconduct, the matter would be reviewed by the Audit Committee & Board and their decision shall be final. The Company reserves the right to take appropriate action against any guilty Director or Senior Management.

AMENDMENT

This code may be amended, modified or varied by the Board as may be deemed necessary in the interests of the Company and subject to the provisions of applicable laws, regulations or guidelines.

AFFIRMATION OF COMPLIANCE OF THE CODE

In terms of clause 49 of the listing agreement all Board Members and Senior Management Personnel

Sylph Technologies Ltd.

ST-4, "Press House" 22, Press Complex, A. B. Road,
INDORE (M.P.) 452008, INDIA, Phone: 0731-2571451
E-mail : info@sylphtechnologies.com; mhfl@bsnl.in
Url : www.sylphtechnologies.com
CIN: L36100MP1992PLC007102

shall affirm compliance with the Code in the Form “Annual Compliance Certificate” annexed to this Code as Appendix-1 and send the same to the Compliance Officer of the Company.

Once every year or upon revision of this code, every Director must acknowledge and execute an understanding of the code and an affirmation that he/she has complied with the Code. New Directors will sign such a deed at the time of joining.

APPENDIX-1

To,
The Compliance Officer
SYLPH TECHNOLOGIES LIMITED
Indore (M.P.)

Sub : Confirmation of Compliance of the Code of Conduct of Sylph Technologies Limited.

I _____ (name), _____ (designation) of the
Company, do hereby confirm that I have fully complied with the provisions of the Code of Conduct
of the Sylph Technologies Limited for the Accounting year ending on 31st March, 2015.

Signature _____

Name _____

Date _____

Place _____

Sylph Technologies Ltd.

ST-4, “Press House” 22, Press Complex, A. B. Road,
INDORE (M.P.) 452008, INDIA, Phone: 0731-2571451
E-mail : info@sylphtechnologies.com; mhfl@bsnl.in
Url : www.sylphtechnologies.com
CIN: L36100MP1992PLC007102