

RUCHIRA PAPERS LIMITED
CODE OF CONDUCT FOR DIRECTORS AND SENIOR
MANAGEMENT EXECUTIVES

I. Introduction

This is the Code of conduct (the "Code") for Ruchira Papers Limited. (the "Company"). This Code sets out the standards that each Director and senior management executive will adhere to whilst conducting their Duties. It ensures compliance with legal requirements, including those required specifically under clause - 49 of listing agreement with the stock exchanges. The Board of Directors (the "Board") of the Company has adopted the following Code in its Board meeting held on 29TH January, 2007 and the Directors and Senior Management is expected to adhere to the standards of loyalty, good faith and avoid situations where conflict of Interests arises.

II. Applicability of code

This code of conduct will be applicable to the following persons (hereinafter referred to as **officers**):

1. All members of Board of Directors whether executive or non-executive.
2. All officers including Senior Management Executives reporting directly to Managing Director and Whole Time Directors irrespective of their grade.

III. Conflict of interest

All Directors and Senior Management Executives shall avoid situations in which their personal interest could conflict with that of the Company. They shall disclose to the appropriate authority all cases of conflict of Interest or potential conflict of Interest between the person and the Company.

Some of the more common conflicts, which officers should avoid, are:

- a. Officers shall not receive a personal benefit from a person or firm, which is seeking to do business or to retain business with the Company.
- b. Officers shall not accept compensation in any form for services performed for the Company from any source other than the Company.
- c. Officers shall not accept any offer, payment, promise to pay or authorization to pay any money, gift or anything of value from customers, vendors, consultants etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud or opportunity for commitment of any fraud. Gifts received from suppliers or customers, should be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety.
- d. As a general rule, officers should avoid conducting Company business with a relative or with a business in which a relative is associated in any significant role. 'Relative' means relative as defined under section 2(41) of the Companies Act, 1956.
- e. Officers shall not use Company assets, labor or information for personal use unless approved by proper authority.

IV. Corporate opportunities

Officers shall not:

- a. Use the Company's property or information for personal gain; or

- b. Compete with the Company for business opportunities. However, in case of directors, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates to the Company's business, directors may then do so.

V. Confidentiality

Officers shall respect the confidentiality of information entrusted to them by the Company from time to time and any other confidential information about the Company that comes to them, from whatever source, in their capacity as an officer, except when disclosure is authorized or legally mandated.

Such respect for confidentiality shall also continue after such person ceases to hold office as Director or serve the organization.

VI. Compliance with laws, rules and regulations

Officers shall adhere to the insider trading code of the Company and shall take every reasonable step to ensure adherence to the laws of the land.

VII. Integrity of data

Every officer shall ensure, at all times, the integrity of data or information furnished by him to the Board.

VIII. Encouraging the reporting of any illegal or unethical behavior

Officers should promote ethical behavior and take reasonable steps to ensure that the Company:

- a. Encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation;
- b. Encourages employees to report violations of laws, rules, regulations or the Company's Code of Conduct to appropriate personnel;
- c. Informs employees that the Company will not allow retaliation for reports made in good faith.

IX. No Rights Created

Nothing in this Code or in other related communications creates or implies any right in favor of any Director or Senior Management Executive, Client, Supplier, Customer, Shareholder or any other person or entity.

X. Waiver and amendment to the code

Any Waiver/amendment of any provision of this code must be approved in writing by the Company's board of directors.

By Order of the Board

Acknowledgement of receipt of code for members of the board and senior management

I have received and read the Company's Code of Conduct (the "Code") for members of the board and senior management. I understand the standards and policies contained in the Code and agree to fully comply with the code.

Signature -----

Officer Name -----

Designation / Position -----

Date -----

Please sign and return this form to the Secretarial department.