

MUDRA FINANCIAL SERVICES LIMITED

Regd.office:

DRAFT OF CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

Introduction :

The Company has adopted new Code of Conduct to Regulate, Monitor and Report Trading by Insiders as prescribed.

1. Definitions

- 1.1 **“Act”** means the Securities and Exchange Board of India Act, 1992.
- 1.2 **“Board”** means the Board of Directors of the Company.
- 1.3 **“Code”** or **“Code of Conduct”** shall mean the Conduct to Regulate, Monitor and Report Trading by Insiders of Mudra Financial Services Limited as amended from time to time.
- 1.4 **“Company”** means Mudra Financial Services Limited.
- 1.5 **“Compliance Officer”** means Company Secretary or such other senior officer, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations designated so and reporting to the Board of Directors and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.
- 1.6 **“Connected Person”** means:
 - (i) A Director means any person who is appointed on the Board of the Company
 - (ii) Any Officer of the Company as defined hereunder
 - (iii) Any employee of the company working in the finance department, secretarial department.
 - (iv) Any person who holds a position involving a professional or business relationship with the company and who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company.

(Explanations: for the purpose of this definition “connected person” shall include any person who was connected six months prior to an act of insider trading).

(v) Deemed to be connected persons unless the contrary is established,

(a) an immediate relative of connected persons specified in clause (i); or

(b) a holding company or associate company or subsidiary company; or

(c) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

1.7 **“Dealing in Securities”** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

1.8 **Designated Employee(s)** shall include:

(i) Directors of the Company and all the officers of the Company designated and appointed at two tiers below the Directors.

(ii) All employee in the finance, accounts, Tax, secretarial and legal department

(iii) Such other officer as may be notified by the Compliance Officer.

1.9 **“Dependent of Designated Employee”** Following relatives of designated employees will be construed as dependents if they not having adequate and regular source of income:

i. Father

ii. Mother (including step-mother)

iii. Spouse

iv. Son (including step-son)

v. Son's wife

vi. Daughter (including step-daughter)

vii. Brother (including step-brother)

viii. Sister (including step-sister)

1.10 **“Insider”** means any person who,

(i) a connected person; or

(ii) in possession of or having access to unpublished price sensitive information.

1.11 **“Insider Trading”** means dealing in securities of Company by an Insider

1.12 **“Trading Window”** means trading period for trading in company's securities;

1.13 **“Securities”** Includes Shares Scripts, stocks, bond, debentures, or other securities issued by the company from time to time.

- 1.14 **“Unpublished Price Sensitive Information”(UPSI):** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:
- (i) financial results;
 - (ii) dividends;
 - (iii) change in capital structure;
 - (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - (v) changes in key managerial personnel; and
 - (vi) material events in accordance with the listing agreement

2. PROHIBITION ON DEALING, COMMUNICATING OR COUNSELLING

1. Dealing in the securities of the Company by the Insider on his / its own behalf or on behalf of any other person when in possession of any unpublished price sensitive is strictly prohibited
2. The Insider shall not communicate, counsel or procure directly or indirectly any UPSI to any person who while in possession of such UPSI shall not deal in Company's Securities.

This is not applicable for any communication made by the Insider in the ordinary course of business or under any law.
3. No company shall deal in the Securities of another company or associate of that Company while in possession of any UPSI.

3. Code of Internal Procedure and Conduct

Compliance Officer

1. The **Company Secretary** shall function as Compliance Officer and shall report to the Chairman/Executive Director.
2. The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of “Price Sensitive Information”, pre-clearing of trades of designated employees' and their dependents', monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of the Company.
3. The Compliance Officer shall maintain a record of the designated employees and any changes made in the list of designated employees.

4. The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Regulation and the Company's Code of Conduct.

4. Preservations of Price Sensitive Information by Directors / Designated Employees

- i. Directors / designated employees shall maintain the confidentiality of all Price Sensitive Information.
- ii. They shall not pass all such information to any person directly or indirectly by way of making any recommendations for purchase or sale of securities.
- iii. Unpublished Price Sensitive Information should be handled on 'Need to Know' basis i.e. the same should be needed to know only to those within the Company who need the information to discharge their duties and whose position to such information will not give rise to conflict of interest or appearance of misuse of the information.
- iv. All non-public information directly received by any employee should immediately to be reported to the head of the department.
- v. All files containing confidential information shall be kept secured.
- vi. Computer files containing such information must have adequate security of Login and Password etc.

5. Prevention of misuse of "Unpublished Price Sensitive Information"

All directors / designated employees of the Company to adhere to the trading restriction as follows:

- i. The Company shall specify trading period called 'Trading Window' for trading in the Company's securities. When the Trading Window is closed, the Directors /Designated Employees shall not trade in the Company's Securities.
- ii. Trading Window will be open 24 hours after the Price Sensitive Information is made public.
- iii. To pre-clear the transaction as per the per-clearing procedure.
- iv. To give an undertaking executed in favour of the Company in the specified format along with application for pre-clearance of trading.
- v. To execute the orders in respect of securities of the Company within one week after the approval of the pre-clearance is given failing which the transaction should be pre-cleared again.
- vi. To hold the investment in securities for a minimum period of 30 days.
- vii. In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing the reasons in this regard (Refer Application for Waiver).

viii. To meet with the reporting requirements for transactions in securities as well as holding position as specified

6. Restriction to Buy/ Sell securities by Designated Employees and their dependents during the Closure of Trading Window

a) Designated Employees and their dependents shall not buy/ sell securities of the Company during the Closure of the Trading Window i.e. the period during which trading in the securities of the Company is prohibited.

b) Trading window shall be closed during the following periods:

- i. At the time of Board Meeting for approval of quarterly/half yearly/ annually financial results as the case may be for a period of Seven Days (7days) . The period of seven days shall expire after forty Eight hours of the announcement of financial results.
- ii. From the date of notice to the Stock Exchange till twenty four hours after the announcement for the meeting of Board of Directors in which any material, price sensitive and unpublished event, including the following are proposed :
 - Issue of Securities;
 - Dividends;
 - Significant expansion plans or new projects;
 - Acquisition, amalgamation, merger, takeover and buy back;
 - Disposal of whole or substantially the whole of the undertaking;
 - Significant changes in plans or operations of the Company.

c) In case of ESOP, exercise of option may be allowed in the period when Trading Window is closed. However, sale of shares allotted under ESOP shall not be allowed when the Trading Window is closed.

d) The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

7. Pre-Clearance of Trades

1. All Designated Employees and their dependent family members who intends to deal in the securities of the Company should pre-clear the transactions, by making an application in the prescribed form (refer Form –E) to the Compliance officer where the aggregate of the securities to be acquired/ sold/ dealt in, during a calendar month exceeds 25,000 in number or where the market value of the securities to be acquired/ sold/ dealt in a calendar month exceeds Rs. 5,00,000 (Rupees Five Lakh) or 1% of the total Shareholding or voting rights, whichever is lower.

2. Application in prescribed format along with the statement of holding by the designated employee and his dependants should be forwarded for approval to the Compliance Officer. (refer Form –F)
3. An undertaking shall be executed in favour of the Company by all such designated employees and their dependent in the specified format Annexure II
4. All directors / officers/ designated employees and their dependants shall execute their order in respect of the securities of the Company within one week (7 days) after the approval of the pre-clearance is given, failing which the transaction shall be required to be pre-cleared again.

8. Other Restrictions

- 1 The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
- 2 The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code.
- 3 The disclosures made under this Code shall be maintained for a period of five years.

9. Reporting Requirements for transactions in securities

Initial Disclosure

- 9.1 Every promoter/ Key Managerial Personnel / Director / Officers / Designated Employees of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in the prescribed Form-A.
- 9.2 Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter.

Continual Disclosure

- 9.3 Every promoter, employee and director of the Company shall disclose to the Company the number of such securities acquired or disposed of within two trading days of such transaction if

the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. Five lakhs.

The disclosure shall be made within 2 working days of:

- (a) the receipt of intimation of allotment of shares, or
- (b) the acquisition or sale of shares or voting rights, as the case may be.

10. Disclosure by the Company to the Stock Exchange(s)

- 10.1 Within 2 days of the receipt of intimation under Clause 9.3, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received.
- 10.2 The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors / officers / designated employees for a minimum period of five years.

11. Penalty for contravention of the code of conduct

- 1 Every Specified Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
- 2 Any Specified Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.
- 3 Specified Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.
- 4 The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Forms and Format under the Code is appended herein below:

FORM A

Form for initial disclosure of all the details of shares held by Directors / Designated Employees and Connected Persons / Designated Employees at the time of joining

Date:

To
The Compliance Officer

I. DETAILS OF SHAREHOLDING OF DIRECTORS / DESIGNATED EMPLOYEES/ CONNECTED PERSON HELD IN THEIR OWN NAME:

Name, Address & PAN of the Director/ Employee	Designation	Department & Date of joining	No. of Shares Held	Folio no. / DP ID/ Client ID
(1)	(2)	(3)	(4)	(5)

II. DETAILS OF SHARES HELD BY DEPENDANT FAMILY MEMBERS:

Name, address & PAN of the Relative	Relationship	No. of Shares Held	Folio no. / DP ID/ Client ID
(1)	(2)	(3)	(4)

I / We declare that I / we shall comply with and abide by the requirements of the SEBI (Prohibition of Insider Trading) Regulations and the Code of Internal Procedures and Conduct for Prohibition of Insider Trading, during the course of my association / employment with the Company.

Signature:.....

FORM B

Form for half yearly disclosures of transactions in the securities of the Company (except for the transactions requiring pre-clearance)

Date:

The Compliance Officer

I. PERIODIC STATEMENT OF SHAREHOLDING OF DIRECTORS/ CONNECTED PERSON/ DESIGNATED EMPLOYEES:

Name of the Director/ Designated Employee	Designation	Department	No. of Shares held on 1 st April / 1 st October,	No of shares bought during the Half Year	No. of Shares Sold during the Half Year	No. of Shares held on 30 th September / 31 st March,	Folio no. / DP ID/ Client ID
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

II. DETAILS OF SHARES HELD BY DEPENDANT FAMILY MEMBERS:

Name of Relative	Relationship	No. of Shares held on 1 st April / 1 st October,	No of shares bought during the Half Year	No. of Shares Sold during the Half Year	No. of Shares held on 30 th September / 31 st March,	Folio no. / DP ID/ Client ID
(1)	(2)	(3)	(4)	(5)	(6)	(7)

I / We declare that I / we have complied with the requirements of minimum holding period of 30 days with respect of the shares sold.

Signature:.....

FORM C

Date:
To
The Compliance Officer

ANNUAL DISCLOSURE

I. STATEMENT OF SHAREHOLDING OF DIRECTORS/ CONNECTED PERSON/ DESIGNATED EMPLOYEES:

Name of the Director/ Designated Employee	Designation	Department	No. of Shares held on 1 st April	No of shares bought during the Year	No. of Shares Sold during the Year	No. of Shares held on 31 st March	Folio no. / DP ID/ Client ID
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

II. DETAILS OF SHARES HELD BY DEPENDANT FAMILY MEMBERS:

Name of Relative	Relationship	No. of Shares held on 1 st April	No of shares bought during the Year	No. of Shares Sold during the Year	No. of Shares held on 31 st March	Folio no. / DP ID/ Client ID
(1)	(2)	(3)	(4)	(5)	(6)	(7)

I / We declare that I / we have complied with the requirements of minimum holding period of 30 days with respect of the shares sold.

I / We further declare that the above disclosure is true and correct and is in accordance with the previous disclosures given to the Company.

Signature:.....

FORM D

Date:

The Compliance Officer.....

ANNUAL DISCLOSURE

I. STATEMENT OF SHAREHOLDING OF DIRECTORS/ CONNECTED PERSON/ DESIGNATED EMPLOYEES:

Name of the Director/ Designated Employee	Department / Designation	Details of the transaction				Date of transaction	No of shares transacted	Whether approval obtained	Approval No.	Balance Holding on	Folio no. / DP ID/ Client ID
		No. of shares held before the transaction	Purchase	Sale	Others (Specify)						

II. DETAILS OF SHARES HELD BY DEPENDANT FAMILY MEMBERS:

Name of the Director/ Designated Employee	Department / Designation	Details of the transaction				Date of transaction	No of shares transacted	Whether approval obtained	Approval No.
		No. of shares held before the transaction	Purchase	Sale	Others (Specify)				

I / We declare that I / we have complied with the requirements of minimum holding period of 30 days with respect of the shares sold.

I / We further declare that the above disclosure is true and correct and is in accordance with the previous disclosures given to the Company.

Signature:.....

FORM E

Date:

To

The Compliance Officer

APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD:

Dear Sir

I request you to grant me waiver of the minimum holding period of 30 days as required under the code for prohibition of insider trading with respect to Shares of the Company held by me / (name of relative) singly / jointly acquired by me/ my relative on (date).

I desire to deal in the said shares on account of following reasons:

1.
2.

Thank You

Yours faithfully

(Name)

(designation)

(department)

FORM F

APPLICATION FOR PRE-CLEARANCE

Date:

To: The Compliance Officer

From : Name

Designation

Department

Through Division/Department Head

With reference to the Code for prohibition of Insider Trading of, I seek your approval to subscribe to / agree to subscribe to / purchase / sell / deal as an agent / principal in (nos.) equity shares of the company.

The statement of shareholding as on and Undertaking in the prescribed format are enclosed for your perusal in this connection as ANNEXURE- I & ANNEXURE – II respectively.

Date :

Signature

.....

PRE-CLEARANCE ORDER

This is to inform you that your request for dealing in(nos) shares of the company as mentioned in your above-mentioned application is approved . Please note that the said transaction must be completed on or before _____ (date) that is within 7 days from today.

Date :

For

Compliance Officer

.....

CONFIRMATION OF DEAL

To: The Compliance Officer

I confirm that the share dealing for which approval was granted on was completed on by purchasing / selling (nos.) equity shares of the company.

Date :

Signature

ANNEXURE - I

Date: _____

To

The Compliance Officer

STATEMENT OF HOLDINGS AT THE TIME OF PRE-CLEARANCE

I. DETAILS OF SHAREHOLDING OF DIRECTOR / OFFICER / DESIGNATED EMPLOYEES HELD IN THEIR OWN NAME

Name	Designation	Department	No. of Shares Held (with Folio / DP ID/Client ID)	Nature of Transaction for which Approval is sought	No. of Shares to be dealt	Present Market Value of the Shares to be dealt

II. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS

Name	Relationship	No. of Shares Held (With Folio / DP ID/Client ID)	Nature of Transaction for which Approval is sought	No. of Shares to be dealt	Present Market Value of the Shares to be dealt

I/We hereby declare that the shares to be sold have been held by me/us for a minimum of 30 days

Signature: _____

ANNEXURE - II

**UNDERTAKING TO BE SUBMITTED ALONGWITH THE APPLICATION
FOR PRE-CLEARANCE**

I, (Name, designation and dept) residing at , is desirous of dealing in(number of shares) shares of the company as mentioned in my application dated for pre-clearance of the transaction.

As required by the Code for prohibition of Insider Trading of, I hereby state that

- a. I have no access to nor do I have any information that could be construed as “Price Sensitive Information” as defined in the code upto the time of signing this undertaking;
- b. In the event that I have access to or received any information that could be construed as “Price Sensitive Information” as defined in the code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance officer of the same and shall completely refrain from dealing in the securities of the company until such information becomes public;
- c. I have not contravened the provisions of the code of conduct for prohibition of insider trading as notified by the company from time to time;
- d. I have made full and true disclosure in the matter.

Date :

Signature

**MUDRA FINANCIAL PRIVATE LIMITED
POLICY FOR DETERMINING MATERIAL SUBSIDIARIES**

TITLE:

This Policy shall be called 'Policy for determining Material Subsidiaries'.

OBJECTIVE:

- a. This Policy is framed in accordance with the requirement of revised clause 49 of the listing agreement (including any amendments thereof) effective from 1st October 2014 and is intended to ensure governance of material subsidiary companies.
- b. The Company is required to disclose the policy on its website and a web link thereto shall be provided in the Annual Report.

DEFINITIONS:

- a. "Board" means the Board of Directors of Mudra Financial Private Limited.
- b. "Company" means company incorporated under Companies Act, 2013 or under any other previous company law.
- c. "Policy" means this Policy, as amended from time to time.

POLICY:

- a. A subsidiary shall be considered as material if the investment of the Company in the subsidiary exceeds twenty percent of its consolidated net worth as per the audited balance sheet of the previous financial year or if the subsidiary has generated twenty percent of the consolidated income of the Company during the previous financial year.

AMENDMENTS:

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

MUDRA FINANCIAL SERVICES LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

1. The Company shall not enter into any contract or arrangement with a Related Party without the approval of the Audit Committee. Prior approval of the Audit Committee shall be obtained for all Related Party Transactions other than those with Exempted Wholly Owned Subsidiaries (whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval).
2. The Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following conditions:
 - i. The name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
 - ii. The indicative base price / current contracted price and the formula for variation in the price, if any; and
 - iii. Such other conditions as the Audit Committee may deem fit.
3. The Audit Committee may also, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that cannot be foreseen and for which the aforesaid details are not available up to a value of Rs. 1 crore per transaction.
4. The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
5. In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm's length, the Company shall comply with the provisions of the Companies Act 2013 and the Rules framed thereunder and obtain approval of the Board or its shareholders, as applicable, for such contract or arrangement.
6. All material related party transactions, other than those with Exempted Wholly Owned Subsidiaries will be placed for approval of the shareholders of the Company. A transaction with a related party is considered material if the transaction / transactions to be entered into, either individually or taken together with previous transactions with such related party during a financial year, exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

Code of Conduct

GENERAL CODE OF CONDUCT

The Corporate Governance Policy is the apex instrument guiding affairs of the Company and clearly defines the roles, responsibilities and authorities of the key people in the governance of the Company. This code forms an integral part of the Company's Governance Policy. As required under Clause 49 of the Listing Agreement the following code of conduct is applicable and strictly followed by the Members of the Board of Directors and Senior Management of the Company.

National Interest

The Company shall conduct its business affairs in accordance with the economic development and foreign policy objectives of the country and strive to make a positive contribution at the international, national and regional levels. It shall not undertake any activity that will have any adverse impact on the social and cultural life of the citizens.

Equal - Opportunities Employer

The Company provides equal opportunities to qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, etc. Employees of the Company are treated with dignity and it maintains a work environment free of sexual harassment. Employees are encouraged to take additional responsibilities so to provide equal opportunity for upward mobility on merit-based system.

A Gender Friendly Workplace

The Company is committed to a gender friendly workplace. It provides equal opportunities for men and women; it institutes good employment practices; and abhors sexual harassment at the workplace. "Sexual harassment includes unwelcome physical contact, demand or request for sexual favours, sexually coloured remarks, showing pornography, and any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. The Company encourages employees to report any harassment and has instituted proper method to take appropriate action, when required."

Ethical Conduct

All Employees of the Company, including Members of the Board of Directors and Senior Management of the Company, shall deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

Use of Company Assets

All assets of the Company, tangible and intangible, shall be employed for the purpose of conducting the business for which they are duly authorized. None of the assets of the Company should be misused or diverted for personal purpose.

Gifts and Donations

The Company shall neither receive nor offer or make, directly or indirectly, any illegal payments, remunerations, gifts, donations or benefits to obtain business or uncompetitive favours for the conduct of its business. However, nominal gifts for special events can be exchanged by employees provided the same is disclosed to the management immediately.

Government Agencies

The Company and its employees shall not offer or give any Company funds or property as donation to any government agencies or their representatives, directly or through intermediaries, in order to obtain any favourable performance of official duties.

Political Non – Alignment

The Company shall not publicly support any specific political party or candidate for political office. The Company shall not offer or give any company funds or property as donations to any specific political party, candidate or campaign. The employees are free to exercise their democratic rights on individual basis without implying, directly or indirectly, any involvement of the Company.

Citizenship

The officers and employees of the Company shall be free to pursue an active role in civic or political affairs as long as it does not adversely affect the business or interests of the Company.

Conflict of Interest

Any Director or Management Employee of the Company shall not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the Company. A conflict of interest, actual or potential, may arise when, directly or indirectly: 1. A person engages in a business relationship or activity with anyone who is party to a transaction with the Company. 2. A person derives benefit to any of his/her relatives by making or influencing decision relating to any transaction of the Company. 3. An independent judgment in the best interest of the Company cannot be exercised for personal reasons. 4. A person or his/her relatives investment in any Company which is an actual or potential competitor, supplier, customer, distributor, joint venture or other alliance partner of the Company (ownership of up to 1 per cent of the subscribed share capital of a publicly held company shall not ordinarily constitute a financial interest for this purpose). 5. A person conducts/influences business on behalf of the Company with a supplier or customer of whom his/her relative is a principal, officer or representative, resulting in a benefit to him/her or his/her relative. 6. A person awards benefits, such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of an employee of the Company, where such an individual is in a position to influence the decision with regard to such benefits. 7. A person accepts gifts, donations, hospitality and/or entertainment beyond the customary level from existing or potential suppliers, customers or other third parties which have business dealing with the Company unless a full disclosure, in writing, has been made to the Company's management or the Board of Directors and approval received in writing. 8. A person accepts employment, a position of responsibility (such as a consultant or a director) or provides 'freelance' services to any other Company without approval of the Board of Directors of the Company.

Corporate Opportunities

An officer shall not exploit for his/her personal gain, opportunities that are discovered through the use of Company property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines to pursue such opportunity. Representation The officers shall not write, appear or represent himself as the Company to any third party unless authorized by the Company in writing.

Cost Consciousness

All the directors and senior management employees of the Company should strive for optimum utilization of available resources. They shall exercise care to ensure that costs are reasonable and there is no wastage and ostentation in Company expenditure shall be avoided.

Integrity

Every officer and employee of the Company shall ensure the integrity of data or information furnished to the Company.

Transparency

All directors, officers and employees shall ensure that their actions in the conduct of business are totally transparent except where the need of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes including as appropriate, segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records. Operations and activities shall be audited periodically to ensure transparency.

Confidentiality

All directors and management employees shall ensure that any confidential information gained in their official capacity is not utilized for personal profit or for the advantage of any other person. They shall not disclose in writing/verbal any facts, figures, information, trade secrets and/or confidential documents obtained during the course of business relationship with Company to any person/authority/organization/statutory body unless required by law and/or with specific written permission of the Company. They shall not provide any information either formally or informally to the press or to any other publicity media unless specifically authorized to do so. They shall adhere to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992

Intellectual Property Rights

All documents, processes, manuals, literature, systems etc. or any other intellectual property developed or created by the officers during the association with the Company are sole Intellectual Property of the Company.

Quality of Products and Services

The Company and its officers shall be committed to supply goods and services of the highest quality standards, backed by efficient after sales service consistent with the requirements of the customers to ensure their total satisfaction. The quality standards of the Company's goods and services shall meet the required national standards and the Company shall endeavor to achieve international standards.

Competition

The Company and its officers shall strive to establish and support a competitive, open market economy. Specifically, the Company shall not engage in activities, which generate or support formation of monopolies, cartels and similar unfair trade practices. The Company and its officers shall market the products and services of the Company on its own merits and shall not make unfair and misleading statements about the Company's or competitors' products and services. Any collection of competitive information shall be made only in the normal course of business through legally permitted means.

Financial Reporting and Records

The Company and its officers shall prepare and maintain accounts of the Company's business affairs fairly and accurately in accordance with the generally accepted accounting and financial reporting standards. Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be accessible to Company auditors and other authorized parties and government agencies. There shall be no willful omission of any transaction from the books and records, no advance income recognition, and no hidden bank account and funds.

Health, Safety and Environment

The Company and its officers shall strive to provide a safe and healthy working environment in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment. The Company and its officers shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the production, use and disposal of any of its products and services on the environment.

Legal Compliances

All directors and officers of the Company shall ensure compliance with all the relevant laws and regulations affecting operations of the Company. They shall keep abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant laws, rules and regulations. In the event that the implication of law is not clear, the course of action chosen must be supported by eminent legal counsel whose opinion should be documented. Violations of applicable governmental laws, rules and regulations may subject them to individual criminal or civil liability, as well as it may also subject the Company to civil or criminal liability or the loss of business.

Shareholders

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The Board of Directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the Company's business, and disclose such information in accordance with the respective regulations and agreements.

Securities Transactions and Insider Information

The officers and employees of the Company and his or her immediate family shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company, which is not in the public domain. The officers and employees of the Company shall not use or proliferate information which is not available to the investing public for making or giving advice on investment decisions on the securities of the Company. Such insider information might include the following: • Financial results of the Company including profits, earnings and dividends; • Announcement of new product introductions or developments; • Major supply and delivery agreements; • Raising finances; • Assets revaluations; • Restructuring plans; • Divestiture of businesses or business units; • Investment plans; • Expansion/new projects; • Acquisition, amalgamation, merger or takeover; • Issue of new securities or buy back of its own shares;

Interaction with Media

The Directors and officers of the Company, other than the designated spokespersons, shall not engage with any member of press and media in matters concerning the Company. Instead they should direct any requests to the designated spokespersons.

Reporting Concern

Every officer and employee of the Company shall promptly report to the management any violation of this code, or an event that could affect the business or reputation the Company.

Waivers

Any waiver of any provision of this Code of Conduct for a director, officer or employee must be placed for approval before the Company's Board of Directors and such waiver shall be granted in writing.

Violation

Any instance of violation of this Code of Conduct shall be brought to the attention of the immediate reporting authority or the Board of directors and shall be dealt with appropriately.