

## **CODE OF CONDUCT**

### **1. Preamble**

In order to maintain the high standards, the following rules / code of conduct should be observed in all the activities of the Board and the Senior Management.

This code will apply to:

- All Directors and
- Senior Management. "Senior Management" shall mean personnel of the company who are members of its core management team and all functional heads.

Independent directors of the Company are subject to certain additional duties and standards of conduct under the Companies Act, 2013 which are set out in Annexure 1 to this Code.

All Directors and Senior Management must act within the bounds of authority conferred upon them with a duty to make and enact informed decisions and policies in the best interests of the company and its stakeholders and ensure compliance with the code of conduct specified by SEBI from time to time and refer Annexure-2.

The Company Secretary will act as the facilitator, who will be available to all the directors and senior management personnel to answer questions and to help them comply with the code.

### **2. Honesty and integrity**

- They shall conduct their activities, on behalf of the company, with honesty, integrity and fairness.
- They will act in good faith, responsibly, with due care, competence, and diligence, without allowing their independent judgement to be subordinated.
- They will act in the best interests of the company and fulfil the fiduciary obligations.

### **3. Conflict of interest**

They shall not engage in any business, relationship, or activity, which is likely to develop a conflict of interest with 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. Some of the common circumstances that may lead to actual or potential conflict of interest are:

- Any activity / employment that interferes with the performance or responsibility to the company or is otherwise in conflict with or prejudicial to the company
- Investments by them / their family members viz. parents, spouse, and sons / daughters, in unlisted entities of competitors, customers, suppliers and any other investments that compromise their responsibility to the company

### **4. Compliance**

Efforts have to be taken to ensure compliance with all applicable laws, rules and regulations, both in letter and spirit.

Any possible violation of law, rules, regulations, or the code of conduct has to be reported to the Company Secretary, who will be available to assist in interpreting the appropriateness of any event or action or proposed event or action, in this context.

#### **5. Other directorships**

They should avoid serving on Boards or in Senior Management positions or in a controlling position of a direct competitor or customer or supplier which is likely to lead to potential conflict of interest.

#### **6. Confidentiality of information**

Any information concerning the company's business, its customers, suppliers, and other stakeholders which is not in the public domain and which they possess or have access to, must be kept in strict confidence unless disclosure is authorized or becomes a legal requirement.

#### **7. Insider trading**

They should not derive any benefit or assist others in deriving any benefit it by giving investment advice based on their access to and possession of information about the company, not in public domain and therefore constituting insider information. They shall comply with the insider trading policy which has been framed by the company in compliance to the guidelines issued by SEBI.

#### **8. Gifts and donations**

They should not receive or offer, directly or indirectly, any payments, gifts, donations, hospitality and comparable benefits which are intended or perceived to be intended to influence any business favour.

#### **9. Protection of assets**

They must protect the company's assets and should not use the company's assets or manpower or company-related information for their personal purposes, unless approved by the Board (in the case of Directors) or the CEO (in the case of Senior Management personnel).

#### **10. Periodic review**

In the last month of every financial year or whenever this code is revised, every director/ senior management personnel must acknowledge understanding of the code and execute an undertaking to continue complying with it. New directors / senior management personnel shall execute such undertaking at the time of their induction.

## **Annexure 1**

### **CODE FOR INDEPENDENT DIRECTORS**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators, and companies in the institution of independent directors.

#### **I. Guidelines of professional conduct:**

An independent director shall:

- 1) uphold ethical standards of integrity and probity.
- 2) act objectively and constructively while exercising his duties.
- 3) exercise his responsibilities in a bona fide manner in the interest of the company.
- 4) devote sufficient time and attention to his professional obligations for informed and Balanced decision making.
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making
- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- 7) refrain from any action that would lead to loss of his independence.
- 8) where circumstances arise, which make an independent director lose his independence, the independent director must immediately inform the Board accordingly.
- 9) Assist the company in implementing the best corporate governance practices.

#### **II. Role and functions:**

The independent directors shall:

- 1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- 2) bring an objective view in the evaluation of the performance of board and management.
- 3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
- 5) safeguard the interests of all stakeholders, particularly the minority shareholders.
- 6) balance the conflicting interest of the stakeholders.
- 7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel, and senior management.
- 8) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **III. Duties:**

- 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 they are a member.
- 4) participate constructively and actively in the Board Committees in which they are chairpersons or members.
- 5) strive to attend the general meetings of the Company.
- 6) Ensure, where they have concerns about the running of the Company or a proposed action, that these are addressed by the Board of Directors.
- 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 Board Committee.
- 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 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 Code of Conduct.
- 12) Act within their authority and assist in protecting the legitimate interests of the Company, shareholders, and its employees.
- 13) Not to disclose confidential information, including commercial secrets, technologies, advertising, and sales promotion plans and unpublished price sensitive information, unless such disclosure is expressly approved by the Board of Directors or required by law.

### **IV. Separate meetings:**

- 1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management.
- 2) All the independent directors of the company shall strive to be present at such meeting.
- 3) The meeting shall:
  - a) review the performance of non-independent directors and the Board as a whole.
  - b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors.
  - c) assess the quality, quantity, and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **Annexure-2**

The Directors and Senior Management Personnel shall also abide to the extent applicable for their functioning in respect of the following Code of Conduct specified by SEBI for Registrar and Transfer Agent.

- 1) A Registrar to an Issue and Share Transfer Agent shall maintain high standards of integrity in the conduct of its business.
- 2) A Registrar to an Issue and Share Transfer Agent shall fulfil its obligations in a prompt, ethical and professional manner.
- 3) A Registrar to an Issue and Share Transfer Agent shall at all times exercise due diligence, ensure proper care and exercise independent professional judgment.
- 4) A Registrar to an Issue and Share Transfer Agent shall exercise adequate care, caution, and due diligence before dematerialisation of securities by confirming and verifying that the securities to be dematerialized have been granted listing permission by the stock exchange/s.
- 5) A Registrar to an Issue and Share Transfer Agent shall always endeavour to ensure that -
  - a. inquiries from investors are adequately dealt with.
  - b. grievances of investors are redressed without any delay.
  - c. transfer of securities held in physical form and confirmation of dematerialisation / rematerialisation requests and distribution of corporate benefits and allotment of securities is done within the time specified under any law .
- 6) A Registrar to an Issue and Share Transfer Agent shall make reasonable efforts to avoid misrepresentation and ensure that the information provided to the investors is not misleading.
- 7) A Registrar to an Issue and Share Transfer Agent shall not reject the dematerialisation / rematerialisation requests on flimsy grounds. Such request could be rejected only on valid and proper grounds and supported by relevant documents.
- 8) A Registrar to an Issue and Share Transfer Agent shall avoid conflict of interest and make adequate disclosure of its interest.
- 9) A Registrar to an Issue and Share Transfer Agent shall put in place a mechanism to resolve any conflict-of-interest situation that may arise in the conduct of its business or where any conflict of interest arises, shall take reasonable steps to resolve the same in an equitable manner.
- 10) A Registrar to an Issue and Share Transfer Agent shall make appropriate disclosure to the client of its possible source or potential areas of conflict of duties and interest which would impair its ability to render fair, objective, and unbiased services.
- 11) A Registrar to an Issue and Share Transfer Agent shall not indulge in any unfair competition, which is likely to harm the interests of other Registrar to the issue and Share Transfer Agent or investors or is likely to place such other Registrar in a disadvantageous position in relation to the Registrar to issue and Share Transfer Agent while competing for or executing any assignment.
- 12) A Registrar to an Issue and Share Transfer Agent shall always endeavour to render the best possible advice to the clients having regard to their needs.
- 13) A Registrar to an Issue and Share Transfer Agent shall not divulge to other clients, press or any other person any confidential information about its clients which has come to its knowledge except with the approval / authorisation of the clients or when it is required to disclose the information under any law for the time being in force.
- 14) 14. A Registrar to an Issue or Share Transfer Agent shall not discriminate amongst its clients, save and except on ethical and commercial considerations.
- 15) A Registrar to an Issue and Share Transfer Agent shall ensure that any change in registration status / any penal action taken by the Board or any material change in financials which may adversely affect the interests of clients / investors is promptly informed to the clients.

- 16) A Registrar to an Issue and Share Transfer Agent shall maintain the required level of knowledge and competency and abide by the provisions of the Act, rules, regulations, circulars, and directions issued by the Board. The Registrar to an Issue and Share Transfer Agent shall also comply with the award of the Ombudsman passed under Securities and Exchange Board of India (Ombudsman) Regulations, 2003.
- 17) A Registrar to an Issue and Share Transfer Agent shall co-operate with the Board as and when required.
- 18) A Registrar to an Issue and Share Transfer Agent shall not neglect or fail or refuse to submit to the Board or other agencies with which he is registered, such books, documents, correspondence, and papers or any part thereof as may be demanded / requested from time to time.
- 19) A Registrar to an Issue and Share Transfer Agent shall ensure that the Board is promptly informed about any action, legal proceeding etc. initiated against it in respect of any material breach or non-compliance by it, of any law, rules, regulations, directions of the Board or of any other regulatory body.
- 20) A Registrar to an Issue and Share Transfer Agent shall take adequate and necessary steps to ensure that continuity in data and record keeping is maintained and that the data or records are not lost or destroyed. Further, it shall ensure that for electronic records and data, up to date back up is always available with it.
- 21) A Registrar to an Issue and Share Transfer Agent shall endeavour to resolve all the complaints against it or in respect of the activities carried out by it as quickly as possible.
- 22) (a) A Registrar to an Issue and Share Transfer Agent or any of its employees shall not render, directly or indirectly any investment advice about any security in the publicly accessible media, whether real-time or non-real time, unless a disclosure of its long or short position in the said security has been made, while rendering such advice.  
(b) In case, an employee of a Registrar to an Issue and Share Transfer Agent is rendering such advice, the Registrar to an Issue and Share Transfer Agent shall ensure that it also discloses its own interest, the interests of his dependent family members and that of the employer including their long or short position in the said security, while rendering such advice.
- 23) A Registrar to an Issue and Share Transfer Agent shall hand-over all the records/ data and all related documents which are in its possession in its capacity as a Registrar to an Issue and / or Share Transfer Agent to the respective clients, within one month from the date of termination of agreement with the respective clients or within one month from the date of expiry/cancellation of certificate of registration as Registrar to an Issue and / or Share Transfer Agent, whichever is earlier.
- 24) A Registrar to an Issue and Share Transfer Agent shall not make any exaggerated statement, whether oral or written to the clients either about its qualifications or capability to render certain services or about its achievements in regard to services rendered to other clients.
- 25) A Registrar to an Issue and Share Transfer Agent shall ensure that it has satisfactory internal control procedures in place as well as adequate financial and operational capabilities which can be reasonably expected to take care of any losses arising due to theft, fraud and other dishonest acts, professional misconduct, or omissions.
- 26) A Registrar to an Issue and Share Transfer Agent shall provide adequate freedom and powers to its compliance officer for the effective discharge of its duties.
- 27) A Registrar to an Issue and Share Transfer Agent shall develop its own internal code of conduct for governing its internal operations and laying down its standards of appropriate conduct for its employees and officers in carrying out its duties as a Registrar to an Issue and Share Transfer Agent and as a part of the industry. Such a code may extend to the maintenance of professional excellence and standards, integrity, confidentiality, objectivity, avoidance of conflict of interests, disclosure of shareholdings and interests etc.

- 28) A Registrar to an Issue and Share Transfer Agent shall ensure that good corporate policies and corporate governance are in place.
- 29) A Registrar to an Issue and Share Transfer Agent shall ensure that any person it employs or appoints to conduct business is fit and proper and otherwise qualified to act in the capacity so employed or appointed (including having relevant professional training or experience).
- 30) A Registrar to an Issue and Share Transfer Agent shall be responsible for the acts or omissions of its employees and agents in respect of the conduct of its business.
- 31) A Registrar to an Issue and Share Transfer Agent shall not, in respect of any dealings in securities, be party to or instrumental for -
  - a. creation of false market.
  - b. price rigging or manipulation.
  - c. passing of unpublished price sensitive information in respect of securities which are listed and proposed to be listed in any stock exchange to any person or intermediary.

\*\*\*\*\*