

**CODE OF CONDUCT OF BOARD
AND
SENIOR MANAGEMENT
OF
KHANDWALA SECURITIES LIMITED**

1. **Preamble:**

Khandwala Securities Limited (“KSL” or “the *Company*”) is committed to ensure that its business is conducted, in all respects and all the times, according to rigorous ethical, professional and legal standards, which prevail from time to time, in the same industrial sector in which Company conducts its normal business. The Company is also committed to create a workplace, at all of its working locations, that, all the times, is free from harassment and discrimination, where co-workers are respected, and provided an appropriate environment so as to encourage good performance and conduct.

To achieve this goal all Employees are expected to:

- adhere to this Policy in their professional as well as personal conduct;
- treat co-workers with respect, courtesy, honesty and fairness;
- respect different values, beliefs, cultures and religions;
- value the contribution of the people they work with, and work co-operatively;
- not bully, intimidate, harass or discriminate against other co-worker.

2. **Purpose:**

This “Code of Conduct and Work Ethics Policy” has been formulated in order to foster and maintain Employee trust and confidence in the professionalism and the integrity of the Employees of the Company by ensuring that all Employees adhere to appropriate standards of conduct as set out in this Policy, that maintains and enhances the reputation of the Company.

This Policy aims to provide guidance to all Employees of the Company on how and in which manner should the conduct of Employees be when they are undertaking business on behalf of the Company.

The circumstances of conducts as set out below in this Policy, although not exhaustive, are intended to cover those situations, which are most likely perceived to be encountered by Employees. In case any Employee encounters any circumstance which is not covered hereunder or in case of any doubt, Employees should seek guidance from the Reporting Manager/ Reviewing Manager and/or from the Human Resource Department and act accordingly.

A breach of the Policy may result in disciplinary action against the Employee concerned including, potential dismissal or termination of employment or any other legal action as may available with the Company or all of the above together.

3. **Coverage:**

This Policy applies to all the Employees of the Company. Employee shall mean all individuals on full-time or part-time employment with the Company, with permanent, probationary, trainee, retainer, temporary or contractual appointment.

The Company also expects its managers to lead by example and perform their duties in accordance with this Policy and ensure that the content of this Policy are communicated to all persons reporting to them. If a business location or region has policies, practices, laws or regulations that require more than what is stated in this Policy, then the Employees must follow this policy as a minimum and comply with such policies, practices, laws, or regulations in that particular region/ country; Business units and locations are responsible for ensuring that their location specific policies and practices are consistent and in compliance with this Policy.

The Company's reputation and credibility are based upon its total commitment to ethical business practices and also on ethical conduct of its Employees. To safeguard the Company's reputation, Employees must conduct themselves in accordance with the highest ethical standards and also be perceived to be acting ethically at all times. Compliance with all policies of the Company, relevant applicable laws and regulations is the minimum standard which should be adhered to by all the Employees all the times.

4. Clauses covered under the Policy:

(a) Professionalism

The personal and professional behavior of Employees shall confirm to the standards expected of persons in their positions, which includes:

- A commitment to and adherence to professional standards in their work and in their interactions with other Employees of the Company;
- A commitment to maintain the highest standards of integrity and honesty in their work;
- An adherence to ethical and legal standards to be maintained in business;
- A responsibility to support the Company in its efforts to create an open and mutually supportive environment;
- A responsibility to share information and give willing assistance in furthering the goals and objectives of the Company; and
- A responsibility to ensure that there is no misrepresentation of facts. Wherever a misunderstanding is thought to have taken place through unclear communications, this should be corrected promptly.

(b) Conflict of Interest

Each Employee is expected to avoid situations in which his or her financial or other personal interests or dealings are, or may be, in conflict with the interests of the Company. Accordingly, the Company expects its Employees to act in the Company's interest at all times.

Employees are advised not to engage in any other business, commercial or investment activity that may conflict with their ability to perform their duties to the Company. Employees must also not engage in any other activity (cultural, political, recreational, social) which could reasonably conflict with the Company's interests and interfere with the performance of their duties.

Employees must not use any Company's property, information or position, or opportunities arising from these for personal gains or to compete with or to tarnish the image of the Company. Employees should not engage in any business activity, which could be detrimental to, or in competition with, the Company's any business activities.

All Employees must avoid situations in which their personal interest could conflict with the interest of the Company. If, under any circumstance, Employees' personal interests conflict with those of the Company's, in all such cases the Employee must seek advice from his or her reporting/ reviewing manager or from senior management.

For avoidance of doubt, mere financial portfolio investments shall not be considered as activities that conflict with the business of the Company.

Confidentiality of Information

As a result of employment with the Company, Employees may be entrusted with confidential information; with regard to the Company and/or its affiliates, its customers and suppliers. Upon joining, Employees are required maintain such information confidentially.

Integrity of Financial Information

Shareholders, management and other interested parties must have complete and accurate financial information in order to make informed decisions. Many Employees participate in accounting processes that directly impact the integrity of external financial statements and internal management reports. All such Employees have a responsibility to ensure that all transactions are recorded in Company's accounts accurately and promptly and they must immediately report any known inaccuracies. Misrepresentations by Employees that result from intentional acts that may conceal or obscure the true nature of a business transaction are clear contraventions of this Policy.

Protection and Use of Company Property

All Employees of the Company are responsible for protecting and taking reasonable steps to prevent the theft or misuse of, or damage to Company's assets, including all kinds of physical assets, movable, immovable and tangible property, corporate information and intellectual property such as inventions, copyrights, patents, trademarks and technology and intellectual property used in carrying out their responsibilities. All Employees must use all equipments, tools, materials, supplies, and Employee time only for Company's legitimate business interests. Company's property must not be borrowed, loaned, or disposed of, except in accordance with appropriate Company's policies. All Employees must use and maintain Company's property and resources efficiently and with due care and diligence.

Acceptance of Gifts and Other Benefits

Employees should not give or accept gifts, entertainment, or any other personal benefit or privilege that would in any way influence or appear to influence any business decision. Accepting money, gifts, entertainment, loans or any other benefit or preferential treatment from any existing or potential customer, supplier or business associate of the Company, is strictly prohibited, except occasional gifts of modest value and entertainment on a modest scale as part of customary business practice. As a general principle, gifts of minor estimated value (e.g. pens, golf balls, desk diaries) are acceptable.

Where the estimated value of the gift is considered to be over Rs. 2,000, such gift should be declined. All other prospective offers of gifts or entertainment falling outside the foregoing guideline, but which reflect customary and transparent business practice in a particular market, may be accepted. However, in case of doubts, the Employee must refer the case to his/her reporting manager and/or the relevant business unit head who will decide on the action to be taken.

It is unacceptable to directly or indirectly offer, pay, solicit or accept any kind of inducements or bribes. Any attempted transaction of this nature should be immediately reported to the Reporting Manager/ Business Unit Head or the HR Department. The funds and resources of the Company shall not be used directly or indirectly for any such purpose.

Whole Time and Attention

All Employees shall devote their time and their best efforts to promote the Company's business and may not without the prior written consent of the Company (and subject to any terms and conditions as may be imposed by the Company) engage or be interested in (whether directly or indirectly) in any other business, employment or vocation for pecuniary gain.

Harassment

The Company is committed to provide a work environment that is free of inappropriate behavior of all kinds and harassment on account of age, physical disability, marital status, race, religion, caste, sex, sexual orientation or gender identity. Employees are responsible for supporting the Company in its endeavour to protect others from any form of such harassments.

In the course of business conduct of any Employee, wherever harassment occurs to any such Employee as a result of an act or omission by any third party or outsider, the Company shall take all steps necessary and reasonable to assist such affected Employee in terms of support and preventive action.

This is separately detailed in the "Prevention of Workplace Harassment Policy".

Alcohol & Substance Abuse

The use or possession of alcohol, illegal drugs, and other controlled substances in the workplace and being under the influence of these substances on the job and during working hours is strictly prohibited. However, possession of prescription medication for medical treatment is permitted.

There may be company-sponsored events where management approves the serving of alcoholic beverages. In these cases, all appropriate liquor laws must be followed, including laws regarding the prohibition of serving of alcohol to those under the legally permissible age. However, under all such cases, excessive drinking, intoxication and misbehavior at these events is prohibited and will be dealt with severely.

Fraud

Fraud — or the act or intent to cheat, trick, steal, deceive, or lie — is both dishonest and, in most cases,

criminal. Intentional acts of fraud are subject to strict disciplinary action, including dismissal and possible civil and/or criminal action against the concerned Employee.

Some examples of Fraud include:

- Submitting false expense reports;
- Forging or altering checks;
- Misappropriating assets or misusing Company's property;
- Unauthorized handling or reporting of transactions;
- Inflating sales numbers by shipping inventory known to be defective or non-conforming;
- Making any entry on Company records or financial statements that is not accurate and in accordance with proper accounting standards;

Compliance with Laws and Agreements

All Employees shall conduct business in compliance with all applicable laws and regulations of the particular District, State or Country.

Health, Safety and Environment

All Employees shall comply with the company health and safety norms as communicated to them from time to time. Employees shall bring to the management's attention any workplace safety or health hazard.

V. Misconduct and Non-Conformance with the Policy:

Non-observance of this Policy shall be construed as misconduct that could warrant disciplinary action, including dismissal in deserving cases. The decision in this regard will lie with the Management, including the Business Unit Head and concerned HR Manager and shall be binding on the Employees.

VI. Exceptions:

Any exceptions to the norms laid down in this Policy may be at the discretion of the Chairman/ Managing Director or any appropriate authority delegated by them.

VII. Contact:

All queries and clarifications on the policy and procedures may be referred to the Account Department.

VIII. Accountability:

It is a condition of an appointment and/ or employment that all Employees must understand and adhere to the Company's Code of Conduct and at all times and abide by the standards, requirements and procedures laid down herein. They must:

- commit to individual conduct in accordance with this Policy.
- observe both, the spirit and the letter of the law in their dealings on Company's behalf.
- recognize Company's responsibility to its shareholders, customers, employees, those with whom

Company does business, and to society. Assess priorities in the context of discharging these responsibilities appropriately on Company's behalf.

- conduct themselves as responsible members of society, giving due regard to health, safety, and environmental concerns, and human rights, in the operation of Company's business.

IX. Amendments:

The Company reserves the rights to change/ amend / add /delete/ modify this Policy in whole or in part, at any time without assigning any reason whatsoever. The Employees acknowledge that they will not be personally advised of any such change/ amendment / addition /deletion/ modification. The Employees are advised to check for any such change/ amendment / addition /deletion/ modification regularly. The Employees hereby unconditionally agree to all such changes / amendments / additions / deletions / modifications.