



ARSHIYA LIMITED

CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT

The Directors and employees of Arshiya Limited shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment and adhere to the following standards in performance of their duties:

Clause: 1

National interest

The Arshiya group is committed to benefit the economic development of the countries in which it operates. Arshiya group shall undertake viable projects or activity which will also be beneficial to the wider interests of the communities in which it proposes to operate.

The company's management practices and business conduct shall apart from benefiting the stakeholders will also recognise importance of benefits to the country, localities and communities in which it operates, to the extent possible and affordable, and shall be in accordance with the laws of the land.

The company, in the course of its business activities, shall respect the culture, customs and traditions of each country and region in which it operates. It shall conform to all rules, regulations, and trade procedures, including licensing, documentation and other necessary compliances as is required for the conduct of the business.

Clause: 2

Financial reporting and records

The company shall prepare and maintain its accounts fairly and accurately and in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs.

Internal accounting and audit procedures shall reflect, fairly and accurately, all of the company's business transactions and disposition of assets, and shall have internal controls to provide assurance to the company's board and shareholders that the transactions are accurate and legitimate. All required information shall be accessible to company auditors and other authorised parties and government agencies. There shall be no willful omissions of any company transactions from the books and records, and there shall be no advance-income recognition and hidden bank account and funds.

Any willful, material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of the Code, apart from inviting appropriate civil or criminal action under the relevant laws. No employee shall make, authorise, abet or collude in an improper payment, unlawful commission or bribing.

Clause: 3

Competition

The company shall fully support the development and operation of competitive open markets and shall promote the liberalisation of trade and investment in each country and market in which it operates. Specifically, no Arshiya company or employee shall engage in restrictive trade practices, abuse of market dominance or similar unfair trade activities.

The company or employee shall market the company's products and services on their own merits and shall not make unfair and misleading statements about competitors' products and services. Any collection of competitive information shall be made only in the normal course of business and shall be obtained only through legally permitted sources and means.

Clause: 4

Equal opportunities to all employees

The company shall provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability. Human resource policies shall promote diversity and equality in the workplace, as well as compliance with all local labour laws, while encouraging the adoption of international best practices.

Employees of the company shall be treated with dignity and in accordance with the company's policy of maintaining a work environment free of all forms of harassment, whether physical, verbal or psychological. Employee policies and practices shall be administered in a manner consistent with applicable laws and other provisions of this Code, respect for the right to privacy and the right to be heard, and that in all matters equal opportunity is provided to those eligible and decisions are based on merit.

Clause: 5

Gifts and donations

The company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended, or perceived, to obtain uncompetitive favours for the conduct of its business. The company shall cooperate with governmental authorities in its efforts to eliminate all forms of bribery, fraud and corruption.

However, the company and its employees may, with full disclosure, accept and offer nominal gifts, provided such gifts are customarily given and / or are of a commemorative nature. Each company shall have a policy to clarify its rules and regulations on gifts and entertainment, to be used for the guidance of its employees.

Clause: 6

Government agencies

The company and its employees shall not, unless mandated under applicable laws, offer or give any company funds or property as donation to any government agency or its representative, directly or through intermediaries, in order to obtain any favourable performance of official duties. The company shall comply with government procurement regulations and shall be transparent in all its dealings with government agencies.

Clause: 7

Political non-alignment

The Company shall be committed to and support the constitution and governance systems of the country in which it operates.

The Company shall not support any specific political party or candidate for political office. The company's conduct shall preclude any activity that could be interpreted as mutual dependence / favour with any political body or person, and shall not offer or give any company funds or property as donations to any political party, candidate or campaign.

Holding or contesting an election for any political post by Executive Director / Management Personnel is discouraged as it could interfere with the performance and discharge of responsibilities towards the company. If any Executive Director or Managerial Personnel decides to consider political post, the same shall be disclosed in writing to the Board of Directors. The Board shall consider whether the acceptance of such post would be in any manner prejudicial to the interests of the company and make appropriate recommendations. The involvement of an employee in civic or public affairs shall be with express approval from the chief executive of his / her company, subject to his involvement having no adverse impact on the business affairs of the company or the Arshiya group.

Clause: 8

Health and safety

The company shall strive to provide a safe, healthy, clean and ergonomic working environment for its people. The company shall ensure that appropriate measures are in place to protect employees, contractors, visitors and the general public.

Clause: 9

Sustainable development

The company believes in sustainable development. For the company, sustainability means value creation through responsible operations, which take into consideration economic, environmental and social impacts.

The business and operations of the company shall be conducted in an environmentally friendly manner. It shall prevent the wasteful use of natural resources and be committed to improving the environment, particularly with regard to the emission of greenhouse gases, and shall endeavour to offset the effect of climate change in all spheres of its activities. The company, in the process of providing services, shall strive for economic, social and environmental sustainability.

Directors/ management personnel shall ensure compliance with all applicable environmental laws, regulations & internal policies.

Clause: 10

Corporate Citizenship

The company shall be committed to good corporate citizenship. The company believes that through responsible corporate citizenship, they will not only be able to manage potential risks but also convert these risks to opportunities. The company shall be committed to the compliance of all relevant laws and regulations and also actively assisting in the improvement of quality of life of the people in the communities in which it operates. The company shall encourage volunteering by its employees and collaboration with community groups.

Arshiya companies are also encouraged to develop systematic processes and conduct management reviews, so as to set strategic direction for social development activity. The company shall not treat these activities as optional, but should strive to incorporate them as an integral part of its business plan.

Clause: 11

Quality of services

The company shall be committed to provide services of world class quality standards, consistent with the requirements of its customers, while striving for their total satisfaction.

Clause: 12

Inter –se Cooperation of Arshiya companies

The company shall cooperate with other Arshiya companies including applicable joint ventures, by sharing knowledge and physical, human and management resources, and by making efforts to resolve disputes amicably, as long as this does not adversely affect its business interests and shareholder value.

In the procurement of products and services, the company shall give preference to other Arshiya companies, as long as they can provide these on competitive terms relative to third parties and that the same is in keeping with applicable laws & the principles of ethics.

Clause: 13

Public representation of the company and the group

The Arshiya group honours the information requirements of the public and its stakeholders. All statements made to the media on behalf of the Company shall be true and fair. Only persons duly authorised by the Management are allowed to interact with media on specified subjects. Disclosures of any information other than statutory disclosures or those specifically authorised by the Management is prohibited.

Disclosure of information on proceedings of board meetings / committee meetings / internal meetings, and disclosure of forward-looking statements is prohibited. In case any such disclosure has to be made it has to be approved by the Management and shall be combined with cautionary statements, wherever required.

Directors / Management Personnel shall not disclose non public information selectively to any particular group as it may lead to unfair advantage / discrimination. For any outside publication of books, articles or manuscripts which relate specifically to the Company's business, policies and processes, Directors / Management Personnel should take the approval of the Management prior to its release. All such documents should be supplemented by a statement: "All views & observations made/expressed in this article/presentation are solely that of the authors and the Company is in no way responsible for the substance, veracity or truthfulness of such views and statements.'

Clause: 14

Third party representation

Parties which have business dealings with the Arshiya group but are not members of the group, such as consultants, agents, sales representatives, distributors, channel partners, contractors and suppliers, shall not be authorised to represent the company without the written permission of the company, and / or if their business conduct and ethics are known to be in keeping with the Code.

Third parties and their employees are expected to abide by the Code in their interaction with, and on behalf of, the company. Arshiya companies are encouraged to sign a non-disclosure agreement with third parties to support confidentiality of information.

Clause: 15

Intellectual Property

Intellectual Property Rights (IPR) broadly covers patented or potentially patentable inventions, trademarks, service marks, trade names, copyrightable subject matter, and trade secrets. Directors / Management Personnel shall make their best efforts to protect all such Intellectual Properties related to the Company, as it is critical to the Company's overall success.

It is advisable to highlight and consult the Chairman / Compliance Officer for determining the appropriate course of action whenever there is lack of clarity and issue of any kind related to IPR.

The use of the Arshiya name and trademark shall be governed by manuals, codes and agreements to be issued by Arshiya Limited. No third party or joint venture shall use the Arshiya brand to further its interests without specific authorisation.

Clause: 16

Corporate Opportunities

Except as may be approved by the Board of Directors or a Committee thereof, Directors / employees are precluded from:

- taking for themselves personally, opportunities that belong to either the Company or are discovered through the use of Company's property, information or position;
- using the Company's property, information, or position for personal gain; and
- competing with the Company

Clause: 17

Group policies

In order to ensure that all Arshiya Group Companies follow the same policies, the company being the flagship company of the Arshiya Group, shall recommend to the board of directors of the group companies for the adoption of policies and guidelines periodically formulated by Arshiya Limited.

Clause: 18

Shareholders

The Company shall be committed to enhancing shareholders value and complying 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 relevant regulations and agreements.

Clause: 19

Honesty, Integrity & Ethical conduct

Every employee of the Company, including full-time directors and the chief executive, shall exhibit culturally appropriate behaviour/deportment in the countries they operate in, and deal on behalf of the company with professionalism, honesty and integrity, while conforming to high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be so by third parties.

Every employee of the company shall preserve the human rights of every individual and the community, and shall strive to honour commitments.

Arshiya employees shall act in utmost good faith and exercise due care, diligence and integrity in performing their office duties and on their personal behalf without allowing their independent judgment to be subordinated and shall act in the best interests of the Company and fulfil their fiduciary obligations.

Clause: 20

Regulatory compliance

Employees of the Company, in their business conduct, shall comply with all applicable laws and regulations, in letter and spirit, in all the territories in which they operate. If the ethical and professional standards of applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

Directors of the Company shall comply with applicable laws and regulations of all the relevant regulatory and other authorities. As good governance practice they shall safeguard the confidentiality of all information received by them by virtue of their position.

Clause: 21

Concurrent employment

Consistent with applicable laws, an employee of a Arshiya company shall not, without the written approval of the Competent Authority/ Chief Executive, accept employment or a position of responsibility (such as a consultant or a director) with any other company/ association/entity nor provide freelance services to anyone, with or without remuneration. In the case of a full-time director or the chief executive, such approval must be obtained from the board of directors of the company.

Clause: 22

Conflict of interest

An employee or director of the company shall always act in the interest of the company, and ensure that any business or personal association which he / she may have does not involve a conflict of interest with the operations of the company and his / her role therein. An employee, including the executive director (other than independent director) of the Company, shall not accept a position of responsibility in any other non-Arshiya company / entity / not-for-profit organisation without specific sanction.

The above shall not apply to (whether for remuneration or otherwise) :

- a) Nominations to the boards of Arshiya companies, joint ventures or associate companies.
- b) Memberships / positions of responsibility in educational / professional bodies, wherein such association will benefit the employee / Arshiya company.
- c) Nominations / memberships in government committees / bodies or organisations.
- d) Exceptional circumstances, as determined by the competent authority.

Competent authority, in the case of all employees, shall be the chief executive, who in turn shall report such exceptional cases to the board of directors on a quarterly basis. In case of the chief executive and executive directors, the Audit Committee/ Board shall be the competent authority.

An employee or a director of the Company shall not engage in any business, relationship or activity which might conflict with the interest of his / her company or the Arshiya group. A conflict of interest, actual or potential, may arise where, directly or indirectly...

- a) An employee of the Company engages in a business, relationship or activity with anyone who is party to a transaction with his / her company.
- b) An employee is in a position to derive an improper benefit, personally or to any of his / her relatives, by making or influencing decisions relating to any transaction.
- c) An independent judgement of the company's or group's best interest cannot be exercised.

Notwithstanding any instance of conflict of interest that exists due to historical reasons, adequate and full disclosure by interested employees shall be made to the company's management. It is also incumbent upon every employee to make a full disclosure of any

interest which the employee or the employee's immediate family, including parents, spouse and children, may have in a family business or a company or firm that is a competitor, supplier, customer or distributor of or has other business dealings with his / her company.

Upon a decision being taken in the matter, the employee concerned shall be required to take necessary action, as advised, to resolve / avoid the conflict.

If an employee fails to make the required disclosure and the management of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the employee, the management shall take a serious view of the matter and consider suitable disciplinary action against the employee.

Clause: 23

Securities transactions and confidential information

An employee of the Company and his / her immediate family shall not derive any benefit or counsel, or assist others to derive any benefit, from access to and possession of information about the company or group or its clients or suppliers that is not in the public domain and, thus, constitutes unpublished, price-sensitive insider information.

An employee of the Company shall not use or proliferate information that is not available to the investing public, and which therefore constitutes insider information, for making or giving advice on investment decisions about the securities of the Company, group, client or supplier on which such insider information has been obtained. An employee of the Company shall strictly comply the Code on Disclosures and Internal Procedure for Prevention of Insider Trading Code.

An employee of the Company shall also respect and observe the confidentiality of information pertaining to other companies, their patents, intellectual property rights, trademarks and inventions; and strictly observe a practice of non-disclosure.

Clause: 24

Protecting company assets

The assets of the Company shall not be misused; they shall be employed primarily and judiciously for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources, as well as intangible assets such as information technology and systems, proprietary information, intellectual property, and relationships with customers and suppliers.

Clause: 25**Integrity of data furnished**

Every employee of the Company shall ensure, at all times, the integrity of data or information furnished by him/her to the company. He/she shall be entirely responsible in ensuring that the confidentiality of all data is retained and in no circumstance transferred to any outside person/party in the course of normal operations without express guidelines from or, the approval of the management.

Clause: 26**Whistle Blower Policy**

Every employee of the Company shall promptly report to the management-CEO/Chairman Audit Committee when she / he becomes aware of any actual or possible violation of laws, regulations, the Code or an event of misconduct, act of misdemeanour or act not in the company's interest. Such reporting shall be made available to suppliers and partners, too.

Any Arshiya employee can choose to make a protected disclosure under this whistleblower policy of the company, providing for reporting to the chairperson of the audit committee or the board of directors or specified authority. Such a protected disclosure shall be forwarded, when there is reasonable evidence to conclude that a violation is possible or has taken place, with a covering letter, which shall bear the identity of the whistleblower. The whistle blower will receive acknowledgement on receipt of the disclosure.

Investigation

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Management/Audit Committee of the Company in accordance with the normal procedure. The Management/Audit Committee may at its discretion, consider the involvement of any investigators/Vigilance group of the Company for the purpose of investigation. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

Decision

If an investigation leads the Management /Audit Committee to conclude that an improper or unethical act has been committed, the Management /Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as they deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel / staff conduct and disciplinary procedures.

Protection

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against the Whistle Blowers. Complete protection will be given to the Whistle Blowers against any unfair practice. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- b. The Whistle Blower shall be protected from any retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure.
- c. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Management /Audit Committee (e.g. during investigations carried out by Investigators).
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- e. In case a Whistle Blower feels that he/she has been victimized in employment related matters because of reporting about the violation of the Code, he/ she can submit a 'Grievance' to the Audit Committee/Board of Directors, giving specific details of nature of victimization allegedly suffered by him/her. All such grievances will be examined by the Audit committee/ Board. The Committee / Board will meet as may be required and examine the grievances on their merits. The Committee / Board will also conduct necessary investigation of the concern and recommend appropriate action as the case may be.

Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

Reporting

The Management shall submit a report on a quarterly basis to the Audit Committee regarding total number of disclosures received in previous quarter, nature of complaint, outcome of investigation, actions recommended by the Management /Audit Committee and implementation of the same. The Management /Audit Committee should also report to the Board the concern raised for victimization for employment related matters by the Whistle Blower and action taken by the Management /Audit Committee.

Clause: 27

Applicability & Annual compliance

The code applies to the Directors & all employees to such extent as may be applicable depending upon their role & responsibilities. Every Director & employee shall be responsible for the implementation of and compliance with the Code in his / her environment. Failure to adhere to the Code could attract severe consequences, including termination of directorship/ employment.

The Director and senior management team comprising one level below Executive Director, all Functional Heads, the Company Secretary, CFO, Vice Presidents, Asst. Vice Presidents shall affirm compliance with the code on annual basis as at the end of each financial year of the company as per Annexure I, within 15 days of the close of the financial year.

The management reserves the right to expand/ amend the extent of coverage of employees under the code.

Clause: 28

Amendment, Modification and Waiver

This code may be amended, modified or waived only by the Company's Board of Directors and must be publicly disclosed.

Note:

This code does not provide a full, comprehensive and complete explanation of all the rules that employees are bound to follow. Employees have a continuing obligation to familiarise themselves with all applicable laws, company policies, procedures and work rules.

ANNEXURE-I

ANNUAL COMPLIANCE REPORTING

To

**The Compliance Officer
Arshiya Limited
Mumbai.**

Sub: Annual Compliance

I, _____ designation _____, Director/ Employee

of Arshiya Limited, hereby confirm compliance with the Code of Conduct

- for Directors & Senior Management, formed by the Company.

Signature:

Name:

Date: