

ADVENTZ SECURITIES ENTERPRISES LIMITED

CODE OF CONDUCT AND ETHICS

1. INTRODUCTION

The Company aims to be the industry leader by achieving excellence in everything it does including standards of business conduct. This objective shall be achieved by adopting a policy to conduct its business with responsibility, integrity, fairness, transparency and honesty.

The purpose of this code of conduct is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders. This code of conduct is also a tool in carrying out the Company's social responsibility in a more effective manner. This Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and the external environment in which the Company operates.

2. APPLICATION OF THIS CODE

This Code of Conduct applies to all the directors and senior executives of the Company. Senior Executives shall comprise of all the members of management one level below the executive directors, including all functional heads.

Where the Company is a major or strategic shareholder in another company, that company and any joint venture partner or other shareholder(s) should also be made aware of this Code and encouraged to have similar Code.

We aim to choose as business partners, people with high moral and ethical values compatible with our own. If we find ourselves in a business relationship with anyone (e.g. distributor, agent, joint venture partner, supplier, etc.) where it is clear that there is a serious incompatibility, which cannot be resolved we will seek to terminate the relationship.

3. REGULATORY COMPLIANCE

The Company is committed to high standards of corporate governance and believes in compliance with all the laws and regulations both in letter and spirit. The Company has endeavored in setting standards for itself, which are ahead of time and higher than those stipulated by the law. The Company is committed to provide in time, accurate and complete information as required, to all concerned including its stakeholders.

Every Director and Senior Executive of the Company shall, in his business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which they operate.

4. RESPECT FOR INDIVIDUAL

The Company's vision is based on inspiring and unleashing creative potential in human assets of the Company. This is possible in an environment where we all respect the rights of those around us. In this direction, the Company shall:

- treat individuals on all aspects of employment solely on the basis of ability irrespective of race, caste, creed, religion, age, disability, gender, sexual orientation or marital status, and
- not tolerate racial, sexual or any other kind of harassment.

5. HONEST AND ETHICAL CONDUCT

The Directors and senior executives of the Company should act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct. Honest conduct is conduct that is free from any fraud or deception. Ethical conduct is the conduct conforming to the accepted professional standards of conduct and shall include ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

6. CONFLICTS OF INTEREST

The Directors and Senior Executives shall not engage in any activity or enter into any pecuniary relationship which might result in conflict or interest, either directly or indirectly.

A "conflict of interest" occurs when an individual's private interest directly or indirectly interferes or appears to interfere with the interests of the Company. The Directors and senior executives must act at all times in the Company's best interests and avoid putting themselves in a position where their personal interests conflict or appears to conflict with the interest of the Company. The personal interests will include those of their relatives. Any director or senior executive, who is aware of a conflict of interest or is concerned that a conflict might develop, is required to disclose the matter promptly to the Board of Directors in case of a director and to the Whole Time Director in case of senior executive.

7. CONCURRENT EMPLOYMENT

The senior Executives of the Company shall not without the prior approval of the Whole Time Director/ CEO of the Company, accept employment or a position of responsibility (such as consultant or a Director) with any other Company, nor provide "free lance" services to anyone. In case of Whole Time Director/ CEO such prior approval must be obtained from the Board of Directors of the Company.

8. MISUSE OF OPPORTUNITIES AND INFORMATION

Directors and senior executives owe a duty to the Company to advance the Company's business interest when appropriate. Directors and senior executives are prohibited from taking (or directing to a third party) a business opportunity (relevant to the line of business intended to be pursued by the Company) that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down. The directors and senior executives are

prohibited from using corporate property, information or position for personal gain and from competing with the Company. Wherever, it is difficult to differentiate between personal and Company benefits or there are both personal and Company benefits in certain activities, the only prudent course of conduct for the directors and senior executives is to make sure that any use of Company property or services or such transactions that is not solely for the benefit of the Company has prior approval of the competent authority.

9. CONFIDENTIAL INFORMATION

During the course of employment or dealing with the Company, any information of the confidential nature (whether about the Company, other companies or individuals) that is known to directors or senior executives shall be treated as confidential unless publicly available. Such information should be used only for the purpose of business of the Company. This obligation continues for three years even after leaving the Company.

The Company also respects the rights of others regarding their confidential information. Where information is received from third parties under conditions of confidentiality, the directors and senior executives shall comply with those conditions but no-one should solicit confidential information from third parties without prior authorization.

The use of Company information for personal gain is strictly prohibited. In particular, directors and senior executives or members of their families should not trade in securities of the Company when in possession of unpublished price sensitive material and during trading window restriction period. The Directors and Senior Executives shall also comply with the SEBI (Prohibition of Insider Trading) Regulation, 1992 and 'Code of Internal Procedures and Conduct for Trading in Securities of the Company'. **(Refer Annexure 1)**

10. FAIR DEALING

The Company does not seek competitive advantages through illegal or unethical business practices. Each director and senior executive should endeavor to deal fairly with the Company's customers, service providers, suppliers, competitors and employees. No director or senior executive should take advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice. The Directors and Senior Executives shall immediately bring to the notice of the Board and Whole Time Director, respectively, any unethical behavior and actual or suspected fraud.

11. PROTECTION AND PROPER USE OF COMPANY ASSETS

The assets of the Company shall not be misused by the Directors and Senior Executives during the course of conducting the business of the Company or otherwise. The Assets include tangible assets such as equipment and machinery, systems, facilities, materials, resources, etc. as well as intangible assets such as proprietary information, process, design, etc. whether patented or not, relationships with customers and suppliers, etc.

12. BRIBERY

The payment of bribes, kickbacks or other payments of this nature in cash or kind to obtain business or otherwise gain advantage for the Company is strictly prohibited, irrespective of whether payments or offers are made directly or indirectly.

13. GIFTS AND ENTERTAINMENT

Though business gifts and entertainment are customary in many parts of the world they need to be viewed with caution. The directors and senior executives may accept and offer nominal gifts which are customarily given and/ or are of commemorative nature for special events. Except for above, the Directors and Senior Executives shall neither receive nor offer or make directly/ indirectly any illegal payments, gifts or any benefits which are intended to obtain unethical favour.

14. WEALTH CREATION

The Directors and Senior Executives shall be committed to enhance the shareholders' worth/value and shall strictly comply with all regulations and laws that govern shareholders' rights. The Board shall duly and fairly inform the shareholders all relevant aspects about the company's business and disclose such information as may be required, from time to time. In accordance with the applicable rules and regulations.

15. CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to serve the community around its area of operations. The Company believes that no organization can survive in isolation and it has a responsibility towards public at large. The Company aims to reach out to the neighboring communities, conserve the environment and nurture young people. The Company shall continuously take requisite community development initiatives around the areas of its operations.

16. SAFETY, HEALTH AND ENVIRONMENT

The Company's vision envisages no compromise in its commitment to safety, health and responsible care for the environment. Health and safety of the people in and around its area of operations are of paramount importance to the Company.

The Company is committed to environment protection, pollution control and maintenance of ecological balance. The Company shall maintain high standards of pollution control, environment protection and safety.

17. FINANCIAL AND OPERATIONAL INTEGRITY

The Company is committed to disclose in its financial statements all the information required to be disclosed under the relevant accounting standards or under any laws or regulations. It is essential to record all the transactions fully and properly in the financial statements.

Internal accounting and audit procedures shall fairly and accurately reflect all the Company's business transactions and disposition of assets.

The fees and compensation payable to the Directors – both executive and non-executive, shall be fixed by the Board and approved by the shareholders as per the applicable provisions of law and the same will be fully disclosed in the Annual Report to the Members.

No record entry or document shall be false or misleading and no undisclosed or unrecorded account, fund or asset shall be established or maintained. The auditors shall be provided full access to all information and records of the Company.

The Company will not knowingly assist fraudulent activity by others.

18. IMPLEMENTATION

Directors and senior executives are accountable for full compliance with this Code of Conduct. Sanctions for breach of this code shall be determined by the Board of Directors in case of Directors and Whole Time Director in case of senior executives. Sanctions may include serious disciplinary action, removal from office as well as other remedies, all to the extent permitted by law and as appropriate under the circumstances.

A formal implementation and monitoring plan shall be designed to promote awareness of and adherence to the Code.

Any significant breaches of the Code by the Directors and Senior Executives must be notified to the Board of Directors and Whole Time Director, respectively. The Whole Time Director shall report to the Company's Board on the Code's operation and effectiveness along with any significant breach of the code.

19. INTERPRETATION

Any question relating to how this Code should be interpreted or applied should be addressed to the Company Secretary.

CODE OF INTERNAL PROCEDURES AND CONDUCT FOR TRADING IN SECURITIES OF THE COMPANY

Annexure 1

1. OBJECTIVE

The Company endeavors to preserve the confidentiality of all un-published price sensitive information(s) and to prevent misuse of such information(s). The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

Every Officer of the Company has a duty to safeguard the confidentiality of all such information(s) obtained in the course of his/her work at the Company or by virtue of his/her relationship with the Company. Such Officers should also refrain from profiteering by using the unpublished price sensitive information(s).

2. APPLICABILITY OF THE POLICY

This Policy shall be applicable only to the following Officers :

Officers, All the Directors, Senior Management Personnel, Company Secretary and their dependents of the Company.

3. COMPLIANCE OFFICER

- a) The Company has appointed its Company Secretary as Compliance Officer of the Company.
- b) The Compliance Officer shall be responsible for :
 - setting forth policies, framing rules and procedures;
 - monitoring adherence to the rules for the preservation of "Price Sensitive Information";
 - pre-clearing of proposed trades of Officers and their dependents and monitoring of trades after pre-clearance; and
 - implementation of this Policy under the overall supervision of the Board of Directors of the Company.
- c) The Compliance Officer shall maintain record of the Officers and any changes therein.

4. PRESERVATION OF "PRICE SENSITIVE INFORMATION"

All Officers of the Company shall :

- a) maintain the confidentiality of all un-published Price Sensitive Information(s) and shall not pass on, directly or indirectly, such information to any person by way of making a recommendation for the purchase or sale of Shares of the Company or otherwise.

- b) handle the unpublished Price Sensitive Information (s) on a “need to know” basis, i.e. such information shall be disclosed only to those persons within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information(s).
- c) immediately report to the Head of the Department all non-public Price-Sensitive information directly received by him/her.

5. RESTRICTION ON TRADING IN SHARES OF THE COMPANY

All Officers of the Company shall be subject to trading restrictions as enumerated below:-

- a) **Trading Window :**
 - i) The trading period, for trading in the Company’s securities, called as “trading window”, shall be closed during the time the information referred to in this para is un-published.
 - ii) The Officers and their dependents shall not deal in any transaction involving the purchase or sale of shares of the Company during the periods when “Trading Window” (i.e. trading period) is closed.
 - iii) The Trading Window shall be closed from the end of Quarter till the date of Public Announcement of the Audited/Unaudited results for that Quarter, during which any material price sensitive and unpublished event, including the following , are proposed:
 - Declaration of Financial results (quarterly, half-yearly and annually).
 - Issue of securities by way of public/rights /bonus etc.
 - Any major expansion plans or execution of new projects.
 - Amalgamation, mergers, takeovers and buy-back.
 - Disposal of whole or substantially whole of the undertaking.
 - Any changes in policies, plans or operations.
 - Such other information, as the Chairman /Compliance Officer may prescribe from time to time.
 - iv) The Trading Window shall automatically get opened 24 hours (one day) after the information referred above in para (iii) is made public.
 - v) All Officers of the Company and their dependants shall conduct all their dealings in the securities of the Company only valid Trading Window and shall not deal in any transaction involving the purchase or sale of the company’s securities during the periods when Trading Window is closed as referred above or during any other period as may be specified by the Chairman/Compliance Officer from time to time.
 - vi) In case of ESOPs, exercise of Option may be allowed in the period when the Trading Window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when Trading Window is closed.

b) Pre Clearance of Trades

All Officers and their dependents who intend to deal in the securities of the Company exceeding the minimum threshold limit of 25,000 Shares in a calendar month shall obtain pre-clearance of the transaction(s) from the Compliance Officer before entering into the transaction as per the pre-dealing procedure as described hereunder. Compliance Officer shall seek pre-clearance, if applicable, from the Chairman / Chief Executive Officer.

- i) An application shall be made to the Compliance Officer indicating the estimated number of securities that the Officer intends to deal in. The application shall contain, inter alia, the following information:
 - estimated number of shares intends to deal in.
 - the details as to depository with which he/she has a Demat account.
 - such other details as may be required by the Compliance Officer in this behalf.
- ii) An undertaking executed in favour of the Company, forming part of the Application Form as mentioned hereinabove, shall incorporate, inter alia, the following clauses :
 - That the Officer does not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
 - That in case the Officer has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, he/she shall inform the Compliance Officer of the fact and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
 - That he/she has not contravened the Code of Conduct for prevention of insider trading as notified by the Company / SEBI from time to time.
 - That he / she has made a full and true disclosure in the matter.

c) Other restrictions

- i) Transaction must be executed within one week from the next day after the approval of pre-clearance obtained from the Compliance Officer. If transaction is not executed within one week, the Officer must obtain pre-clearance for the intended transaction once again.
- ii) All Officers who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Officers shall also not take positions in derivative transactions in the shares of the Company at any time.
- iii) In case of subscription in the primary market, all Officers must hold their investments in securities of the Company for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.
- iv) In case sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard.

6. REPORTING REQUIREMENT FOR TRANSACTIONS IN SECURITIES

All Officers shall submit the following statements showing details of holding of securities/ transactions in the shares of the Company including that of dependent family members to the Compliance Officer and/ or such other information as may be required from time to time:

- a) all holdings in securities of the Company at the time of joining the Company or within 60 days of implementation of this code of conduct.
- b) Annual statement of all holdings/ transactions in securities of the Company within 30 days of the close of Financial Year. If there is nil transaction in a particular year then this statement for that year need not be submitted.
- c) The Compliance Officer shall place before the Board on monthly basis all details of dealing in the securities by Officers and their dependants and accompanying documents that such persons had executed under pre-dealing procedures as envisaged in the Code.

7. PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT

- a) Any Officer who trades in securities or communicates any information for trading in securities, in contravention of the Code of Conduct, may be penalized and appropriate action may be taken by the Company.
- b) Officers who violate the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage/promotion freeze, suspension, ineligibility for future participation in employee stock option plans, etc. or any other action as the Company deem fit.
- c) The action by the Company through Compliance Officer shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulation, 1992.