

MEHTA SECURITIES LIMITED

CODE OF CONDUCT

➤ Introduction

MEHTA SECURITIES LIMITED (‘hereinafter referred to as the “Company”’). This Code of Business Conduct and Ethics (the “Code”) has been adopted by our Board of Directors and summarizes the standards that must guide our actions. While covering a wide range of business practices and procedures, these standards cannot and do not cover every issue that may arise, or every situation where ethical decisions must be made, but rather set forth key guiding principles that represent the Company’s policies.

The Company’s philosophy on Corporate Governance is built on a rich legacy of fair, transparent and effective governance. Our commitment to the highest level of ethical conduct should be reflected in all of the Company’s business activities including, but not limited to, relationships with customers, suppliers, employees, the government and our stakeholders. One of our most valuable assets is the reputation for integrity and fairness.

The Code not only ensures compliances with the Company Act 2013, the provisions of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 with Stock Exchanges and other laws, but goes beyond to ensure exemplary Corporate Governance. Even well intended actions that violate the Code may result in negative consequences for the Company and for the individuals involved.

Accordingly, the Board of Directors of the Company has adopted the following code that details the following:

- Guidance on ethical standards of conduct on various matters including conflict of interest, acceptance of positions of responsibilities, treatment of business opportunities etc.;
- Responsibility to comply with Insider trading regulations and applicable laws and regulations; and
- Procedure for annual affirmations to the Code of Conduct by Directors, Senior management and employees.

➤ Objectives

This Code has been created in furtherance of the Company’s commitment in building a strong culture of corporate governance by promoting the importance of ethics and transparency in the conduct of its operations. This Code lays down the standards of conduct that shall apply to its directors and all employees of the Company and shall come into force from the listing of the securities on the Stock Exchange.

➤ Philosophy

The Company is a professionally managed organization and the core value underlying our corporate philosophy is “trusteeship”. We believe this organization has been handed to us by the various stakeholders in “trust” and we as professionals are the “trustees” of these stakeholders. It is therefore our responsibility to ensure that the organization is managed in a manner that protects and furthers the interest of our stakeholders. We recognize society as an important stakeholder in this enterprise and therefore it is part of our responsibility to practice good corporate citizenship.

➤ **Definitions**

The definitions of some of the key terms used in this Code are given below:

- a) “Director” means any Executive, Non – Executive, Nominee or Alternate Director of the Company.
- b) “Employee” means any employee or officer of the Company.
- c) “Relative” means ‘relative’ as defined under Section 2(77) the Companies Act, 2013.
- d) “Senior Management” means personnel of the Company who are members of its core Management team excluding the Board of Directors and shall include all personnel above the level of General Manager and all functional heads.

➤ **Applicability:**

This Code is applicable to the following:

- a) all Employees of the Company including Senior Management, and
- b) all Directors of the Company

➤ **Good Corporate Citizenship:**

The Directors and Employees shall conduct the Company’s business in an efficient and transparent manner in enduring its obligations towards the stakeholders. The Directors and Employees shall not be involved in any activity that would have any adverse effect on the interest, aspiration of the Company or against national interest. The following is the manner in which the Company’s business and transactions shall be conducted:

a) **Conflict of Interest:**

Our Employees have an obligation to conduct themselves in an honest and ethical manner and act in the best interest of the Company. All Employees should avoid situations that present a potential or actual conflict between their personal interest for himself or for a relative and the interest of the Company. Although it would not be possible to describe all situation in which conflict of interest may arise, following are some examples of conflict of interest:

- Competing with the Company for the purchase or sale of property, services or other interests.
- Accepting gifts from customers, suppliers of more than modest value and other than in normal course of business which results in beneficially working in their favor in some way or other
- Working or serving, in any capacity for a competitor, customer, supplier or other third party while employed with the Company or working contrary to laws that govern competitive practices in the marketplace.
- Directing business to a supplier owned or managed by, or which employs, a relative
- Having an interest in a transaction involving the Company, a competitor, customer or supplier (other than as an Employee and Director of the Company and not including routine activities of the Company)

In case of an Employee, where such conflict appears at any time or is in existence at the time of the adoption of this code, such Employee shall forthwith make a disclosure in writing to the Company Secretary and Compliance Officer, who in turn shall submit such disclosures for review by the Board. Upon review by the Board the Director or Employee may be directed to avoid/resolve the conflict or to take such remedial action as is deemed suitable by the Board.

In the event that an actual or apparent conflict of interest arises between the personal and professional relationship or activities of an Employee and Director, the Employee and Director involved is required to handle such conflict of interest in an ethical manner in accordance with the provisions of this Code.

b) Compliance with applicable law:

The Company requires that its employees and Directors strictly comply with the applicable laws and regulations in the conduct of its business, both in letter and spirit. If the ethical standards set forth in this code are more rigorous than the applicable laws and regulations, then the standards of the Company's Code shall prevail.

c) Trading on Insider Information:

A Director or the Employee and their relatives shall not derive any benefits or assist others to derive any benefit from the access to and possession of information about the company, which is non-public information. They should also comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as also other regulations as may become applicable to them from time to time. They should contact Company Secretary and Compliance Officer with any questions about your ability to buy or sell of securities.

d) Protection of Confidential Proprietary Information:

Any information concerning the Company's business, its customers, suppliers, etc. to which the Directors or the employees have access or which is possessed must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless

- authorised by the Board of Director,
- the same is part of public domain at the time of disclosure,
- is required to be disclosed in accordance with the applicable law

Proprietary information includes all non-public information that might be useful to competitors or that could be harmful to the Company if disclosed. Unauthorised use or distribution of information of such information violates the Company's policy and could be illegal. The obligation to protect the Company's proprietary and confidential information continues even after Director or Employee leave the Company, and they must return all proprietary information to the company upon leaving the Company.

e) Acceptance of Employment / Position of responsibility:

Employees and Directors are prohibited from taking for themselves directly or indirectly business opportunities that arise through the use of Company's property, information or position unless the opportunity is fully disclosed to the Board of Directors and the Board authorises the said Employee or Directors to pursue such opportunity.

No Employee or Directors should compete directly or indirectly with the Company unless expressly authorised.

f) Protection of the Company's Assets:

Protecting the Company's assets against loss, theft or other misuse is the responsibility of every Employee and Director. The Companies asset shall not be employed for conducting any illegal activity or

for purpose other than of conducting the business of the Company. No Employee and Director may use company's property, information or position for personal gain.

g) Company Facilities:

No director, senior management and employee shall misuse Company facilities. In the use of Company facilities, care shall be exercised to ensure that costs are reasonable and there is no wastage.

h) Gifts and Donations:

The Company, its Directors and Employees shall neither receive nor offer direct/indirect payments which are illegal, gifts, donations or any benefits which are intended to obtain business or unethical favours. However, the Directors or Employees may receive such nominal gifts which are customary in nature or are associated with festivals.

i) Electronic Usage:

Electronic resources provided to the Directors and Employees by the Company should only be used for the business of the Company. The Company prohibits any uses which are illegal or infringe on the privacy of a person or result in the transmission of inappropriate messages. The Company reserves the right to monitor electronic usage and files on the system as and when necessary.

j) Health, Safety and Environment:

The Company attaches great importance to a healthy and safe working environment. The Company is committed to provide good physical working conditions and encourages high standards of hygiene and housekeeping. The Company is furthermore committed to comply with the rules and regulations applicable for protection of the environment in which it operates. Particular attention should be made to preserve the natural resources and minimize the impact of its business operations on environment.

k) Fair treatment of Employees, Working Environment and Child Labor:

Company is committed to recruiting, employing and promoting employees on the sole basis of the qualifications and the abilities needed for the work to be performed without regard to age, sex, caste, national origin or any other non relevant category. Company is further committed to provide free working environment which will restrict unlawful harassment including sexual harassment and harassment based on age, national origin, caste, medical condition etc. Where the employee has been unlawfully harassed, he / she should file a complaint to the Company Secretary and Compliance Officer.

➤ **Consequences of non-compliance with the Code:**

The matters covered in this Code are of the utmost importance to the Company, its stakeholders and its business partners. All Employees and Directors are expected to comply with all of the provisions of this Code in letter and spirit. The Code will be strictly enforced and violations will be dealt with immediately, including subjecting persons to corrective and / or disciplinary action such as penalty, dismissal or removal from office. Violations of the Code that involve illegal activity will be reported to the appropriate authority. The Company encourages all Employees and Directors to report in good faith any suspected violations promptly and intends to thoroughly investigate such reports of violations made.

➤ **Consultation and reporting:**

In case of any doubts / clarifications in relation to the application of the Code of Conduct, Employees are requested to consult in writing with the Company Secretary and Compliance Officer in the Company. Where any Director or Employee notes an act inconsistent with the principles set forth in the Code, he should report the same to the Company Secretary and Compliance Officer in the Company. Company Secretary and Compliance Officer in turn is required to compile all such instances in a report along with suitable recommendation on the action required to the Board. Such report should be presented at least on a quarterly basis or sooner, depending on the nature of the complaint.

➤ **Amendments and Waivers:**

This code may be amended, modified by the Board in consultation with the Board of Directors, subject to appropriate applicable provisions of law, rules, regulations and guidelines. Any waiver of any provision of this Code should be in writing by the Company's Board.

➤ **Acknowledgement and annual affirmation:**

All the Directors and Senior Management personnel to whom the Code applies shall, within 15 days of close of every financial year affirm compliance with the Code indicating their continued understanding of and compliance with the Code. The duly signed Annual Compliance Declaration shall be forwarded to the Company Secretary and Compliance Officer.