

CODE OF CONDUCT

(Adopted by the Company)

GENERAL CODE OF CONDUCT

The Corporate Governance Policy is the apex instrument guiding affairs of the Company and clearly defines the roles, responsibilities and authorities of the key people in the governance of the Company. This code forms an integral part of the Company's Governance Policy. As required under Clause 49 of the Listing Agreement the following code of conduct is applicable and strictly followed by the Members of the Board of Directors and Senior Management of the Company.

National Interest

The Company shall conduct its business affairs in accordance with the economic development and foreign policy objectives of the country and strive to make a positive contribution at the international, national and regional levels. It shall not undertake any activity that will have any adverse impact on the social and cultural life of the citizens.

Equal - Opportunities Employer

The Company provides equal opportunities to qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, etc. Employees of the Company are treated with dignity and it maintains a work environment free of sexual harassment. Employees are encouraged to take additional responsibilities so to provide equal opportunity for upward mobility on merit-based system.

A Gender Friendly Workplace

The Company is committed to a gender friendly workplace. It provides equal opportunities for men and women; it institutes good employment practices; and abhors sexual harassment at the workplace. "Sexual harassment includes unwelcome physical contact, demand or request for sexual favours, sexually coloured remarks, showing pornography, and any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. Company encourages employees to report any harassment and has instituted proper method to take appropriate action, when required."

Ethical Conduct

All Employees of the Company, including Members of the Board of Directors and Senior Management of the Company, shall deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

Use of Company Assets

All assets of the Company, tangible and intangible, shall be employed for the purpose of conducting the business for which they are duly authorized. None of the assets of the Company should be misused or diverted for personal purpose.

Gifts and Donations

The Company shall neither receive nor offer or make, directly or indirectly, any illegal payments, remunerations, gifts, donations or benefits to obtain business or uncompetitive favours for the conduct of its business. However, nominal gifts for special events can be exchanged by employees provided the same is disclosed to the management immediately.

Government Agencies

The Company and its employees shall not offer or give any Company funds or property as donation to any government agencies or their representatives, directly or through intermediaries, in order to obtain any favourable performance of official duties.

Political Non – Alignment

The Company shall not publicly support any specific political party or candidate for political office. The Company shall not offer or give any company funds or property as donations to any specific political party, candidate or campaign. The employees are free to exercise their democratic rights on individual basis without implying, directly or indirectly, any involvement of the Company.

Citizenship

The officers and employees of the Company shall be free to pursue an active role in civic or political affairs as long as it does not adversely affect the business or interests of the Company.

Conflict of Interest

Any Director or Management Employee of the Company shall not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the Company. A conflict of interest, actual or potential, may arise when, directly or indirectly: 1. A person engages in a business relationship or activity with anyone who is party to a transaction with the Company. 2. A person derives benefit to any of his/her relatives by making or influencing decision relating to any transaction of the Company. 3. An independent judgment in the best interest of the Company cannot be exercised for personal reasons. 4. A person or his/her relatives investment in any Company which is an actual or potential competitor, supplier, customer, distributor, joint venture or other alliance partner of the Company (ownership of up to 1 per cent of the subscribed share capital of a publicly held company shall not ordinarily constitute a financial interest for this purpose). 5. A person conducts/influences business on behalf of the Company with a supplier or customer of whom his/her relative is a principal, officer or representative, resulting in a benefit to him/her or his/her relative. 6. A person awards benefits, such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of an employee of the Company, where such an individual is in a position to influence the decision with regard to such benefits. 7. A person accepts gifts, donations, hospitality and/or entertainment beyond the customary level from existing or potential suppliers, customers or other third parties which have business dealing with the Company unless a full disclosure, in writing, has been made to the Company's management or the Board of Directors and approval received in writing. 8. A person accepts employment, a position of responsibility (such as a consultant or a director) or provides 'freelance' services to any other Company without approval of the Board of Directors of the Company.

Corporate Opportunities

An officer shall not exploit for his/her personal gain, opportunities that are discovered through the use of Company property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines to pursue such opportunity.

Representation

The officers shall not write, appear or represent himself as the Company to any third party unless authorized by the Company in writing.

Cost Consciousness

All the directors and senior management employees of the Company should strive for optimum utilization of available resources. They shall exercise care to ensure that costs are reasonable and there is no wastage and ostentation in Company expenditure shall be avoided.

Integrity

Every officer and employee of the Company shall ensure the integrity of data or information furnished to the Company.

Transparency

All directors, officers and employees shall ensure that their actions in the conduct of business are totally transparent except where the need of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes including as appropriate, segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records. Operations and activities shall be audited periodically to ensure transparency.

Confidentiality

All directors and management employees shall ensure that any confidential information gained in their official capacity is not utilized for personal profit or for the advantage of any other person. They shall not disclose in writing/verbal any facts, figures, information, trade secrets and/or confidential documents obtained during the course of business relationship with Company to any person/authority/organization/statutory body unless required by law and/or with specific written permission of the Company. They shall not provide any information either formally or informally to the press or to any other publicity media unless specifically authorized to do so. They shall adhere to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992

Intellectual Property Rights

All documents, processes, manuals, literature, systems etc. or any other intellectual property developed or created by the officers during the association with the Company are sole Intellectual Property of the Company.

Quality of Products and Services

The Company and its officers shall be committed to supply goods and services of the highest quality standards, backed by efficient after sales service consistent with the requirements of the customers to ensure their total satisfaction. The quality standards of the Company's goods and services shall meet the required national standards and the Company shall endeavor to achieve international standards.

Competition

The Company and its officers shall strive to establish and support a competitive, open market economy. Specifically, the Company shall not engage in activities, which generate or support formation of monopolies, cartels and similar unfair trade practices. The Company and its officers shall market the products and services of the Company on its own merits and shall not make unfair and misleading statements about the Company's or competitors' products and services. Any collection of competitive information shall be made only in the normal course of business through legally permitted means.

Financial Reporting and Records

The Company and its officers shall prepare and maintain accounts of the Company's business affairs fairly and accurately in accordance with the generally accepted accounting and financial reporting standards. Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be accessible to Company auditors and other authorized parties and government agencies. There shall be no willful omission of any transaction from the books and records, no advance income recognition, and no hidden bank account and funds.

Health, Safety and Environment

The Company and its officers shall strive to provide a safe and healthy working environment in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment. The Company and its officers shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the production, use and disposal of any of its products and services on the environment.

Legal Compliances

All directors and officers of the Company shall ensure compliance with all the relevant laws and regulations affecting operations of the Company. They shall keep abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant laws, rules and regulations. In the event that the implication of law is not clear, the course of action chosen must be supported by eminent legal counsel whose opinion should be documented. Violations of applicable governmental laws, rules and regulations may subject them to individual criminal or civil liability, as well as it may also subject the Company to civil or criminal liability or the loss of business.

Shareholders

The Company shall be committed to enhance shareholder value and comply 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 the respective regulations and agreements.

Securities Transactions and Insider Information

The officers and employees of the Company and his or her immediate family shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company, which is not in the public domain. The officers and employees of the Company shall not use or proliferate information which is not available to the investing public for making or giving advice on investment decisions on the securities of the Company. Such insider information might include the following: • Financial results of the Company including profits, earnings and dividends; • Announcement of new product introductions or developments; • Major supply and delivery agreements; • Raising finances; • Assets revaluations; • Restructuring plans; • Divestiture of businesses or business units; • Investment plans; • Expansion/new projects; • Acquisition, amalgamation, merger or takeover; • Issue of new securities or buy back of its own shares;

Interaction with Media

Compliance Officer shall be responsible for overseeing and co-ordinating disclosure of price sensitive information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure.

Reporting Concern

Every officer and employee of the Company shall promptly report to the management any violation of this code, or an event that could affect the business or reputation the Company.

Waivers

Any waiver of any provision of this Code of Conduct for a director, officer or employee must be placed for approval before the Company's Board of Directors and such waiver shall be granted in writing.

Violation

Any instance of violation of this Code of Conduct shall be brought to the attention of the immediate reporting authority or the Board of directors and shall be dealt with appropriately.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In line with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time, (hereinafter referred to as the "Regulations") the following Code of Conduct (hereinafter referred to as the "Code") is implemented for prevention of Insider Trading in the Securities of the Company:

Policy and Obligations

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

Every director, officer, designated employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. No director, officer, designated employee may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

To achieve these objectives, Kayel Securities Limited (hereinafter referred to as "the Company") notifies that this Code of Conduct is to be followed by all directors, officers, designated employees.

Part A Definitions

'**Insider Trading**': When insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions, the action is referred to as insider trading;

'**Compliance Officer**' means the Company Secretary of the Company. In absence of the Company Secretary the Board of Directors may authorized any officer of the Company to discharge the duties of Compliance Officer under the regulations;

'**Dealing in Securities**' means buying, selling or agreeing to subscribe, sell or deal in any securities either as principal or agent and includes exercising of options;

'**Designated Employee**' shall mean:

1. Managing Director, Whole-time Directors and other Executive and Non-executive Directors
2. All employees of the Company at Manager Level and above
3. Every employee of Accounts, Finance, Internal Audit, Legal and Secretarial Departments, as well as in the Offices of the Chairman/Managing Director/Executive Director by whatever name designated
4. Relatives of the aforesaid persons
5. Employees designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable;

'**Dependent Family Members**' shall mean the employee's spouse, dependent parents and dependent children;

'**Price Sensitive Information**' means any information, which relates directly or indirectly to a Company and which if published, is likely to materially affect the price of securities of Company.

Explanation: The following shall be deemed to be price sensitive information:-

1. Periodical financial results of the Company
2. Intended declaration of dividends (both interim or final)
3. Issue of securities or buy-back of securities
4. Any major expansion plans or execution of new projects
5. Amalgamation, mergers or takeovers
6. Disposal of the whole or substantial part of the undertaking
7. Any changes in policies, plans or operations of the Company
8. Revision of credit ratings assigned to any debt or equity instrument of the Company
9. Disruption of operations due to natural calamities;
10. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

'**Unpublished**' means information which is not published by the Company or its agents and is not specific in nature.

'**Employee**' means a persons who is in temporary or permanent employment of the Company and include Designated Employee.

Part B

1. Compliance Officer

- 1.1. The listed Company has appointed the Executive Director as compliance officer who shall report to the Managing Director of the Company.
- 1.2. The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information" Pre-clearing; of designated employees and their dependents, trades (directly or through respective department heads as decided by the Company), monitoring of trades and implementation of the code of conduct under the overall supervision of the Board of the listed Company.
- 1.3. The compliance officer shall maintain a record of the designated employees and any changes made in the list of designated employees.
- 1.4. The compliance officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Company's code of conduct.

2. Preservation of "Price Sensitive Information"

Designated Employees, Directors, Officers shall maintain the confidentiality of all Price Sensitive Information. Employees/directors shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities. Following practices should be followed in this regard:

- 2.1. Need to Know Price Sensitive Information is to be handled on a "Need to Know" basis, i.e. Price Sensitive Information should be disclosed only to those within the company who need the information to discharge their duty.
- 2.2. Limited access to confidential information Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc. Files containing confidential information should be deleted/destroyed after its use.

3. Prevention of misuse of "Price Sensitive Information"

- 3.1. Trading Restrictions All directors/officers and designated employees of the Company shall be subject to trading restrictions as enumerated below.
- 3.2. Trading Window the Company shall specify a trading period to be called "Trading Window", for trading in the company's securities. The trading window shall be closed during the time the information referred to in para 3.3 is unpublished.
- 3.3. The trading window shall be, inter alia, closed at the time of:-
 - Periodical financial results of the Company
 - Intended declaration of dividends (both interim or final)
 - Issue of securities or buy-back of securities
 - Any major expansion plans or execution of new projects
 - Amalgamation, mergers or takeovers
 - Disposal of the whole or substantial part of the undertaking
 - Any changes in policies, plans or operations of the Company
 - Revision of credit ratings assigned to any debt or equity instrument of the Company
 - Disruption of operations due to natural calamities;
 - Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

- 3.4. The time for commencement of closing of trading window shall be effective from 1st day of the month in which the meeting of the Board of Directors is proposed to be held or from the date of circulation of notice & agenda pertaining to the above subject para 3.2, which is longer, upto 24 hours after the information is made public.
- 3.5. All directors/officers/designated employees of the company shall conduct all their dealings in the securities of the company only in 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 or during any other period as may be specified by the company from time to time.

4. Pre-clearance of Trades

All directors/officers/designated employees of the company who intend to deal in the securities of the company (above a minimum threshold limit to be decided by the company) should pre-clear the transaction as per the pre- dealing procedure as described hereunder:-

- 4.1. An application may be made in such form as the company may notify in this regard, to the Compliance Officer indicating the estimated number of securities that the designated employee / officer / director intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the company in this behalf.
- 4.2. An undertaking shall be executed in favour of the company by such designated employee/director/officer incorporating, inter alia, the following clauses, as may be applicable:
 - a. That the employee/director/officer does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
 - b. That in case the employee/director/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 change in his position and that he/she would completely refrain from dealing in the securities of the company till the time such information becomes public.
 - c. That he/she has not contravened the code of conduct for prevention of insider trading as notified by the company from time to time.
 - d. That he/she has made a full and true disclosure in the matter.

5. Other Restrictions

- 5.1. All directors/officers/designated employees shall execute their order in respect of securities of the company with in one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the employee/director must pre-clear the transaction again.
- 5.2. All directors/officers/designated employees shall hold their investments in securities for a minimum period of 30 days in order to be considered as being held for investment purpose.
- 5.3. In case the 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 Requirements for Transactions in Securities

- 6.1. All directors/officers/designated employees of the listed company shall be required to forward following details of their securities transactions including the statement of dependent family members (as defined by the Company) to the Compliance Officer:
 - a. all holding in securities of that company by directors/officers/ designated employees at the time of joining the Company

- b. periodic statement of any transactions in securities (the periodicity of reporting may be defined by the company. The company may also free to decide whether reporting is required for trades where preclearance is also required); and
- c. Annual statement of all holdings in securities.

6.2. The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the directors/officers/designated employees for a minimum period of three years.

6.3. The Compliance Officer shall place before the Managing Director/Chief Executive Officer or a committee specified by the company, on a monthly basis all the details of the dealing in the securities by employees/ director/officer of the company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code

7. Penalty for contravention of code of conduct

7.1. Any Director/officer/employee who trades in securities or communicates any information for trading in securities in contravention of the code of conduct may be penalized and the company may take appropriate action.

7.2. Directors/officers/employees of the company who violate the code of conduct shall also be subject to disciplinary action by the company, which may include wage freeze, suspension for future participation in employee stock option plan etc.

7.3. The action by the company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulation, 1992.

8. Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992

In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992. The Company shall inform to the SEBI.

Code of Corporate Disclosure Practices for prevention of Insider Trading

1. Corporate Disclosure Policy

1.1. To ensure timely and adequate disclosure of price sensitive information, the following norms shall be followed by listed companies:

2. Prompt disclosure of price sensitive information

2.1. Price sensitive information shall be given by listed companies to stock exchanges and disseminated on a continuous and immediate basis.

2.2. Listed companies may also consider ways of supplementing information released to stock exchanges by improving Investor access to their public announcements.

3. Overseeing and co-ordinating disclosure

3.1. Listed companies shall designate a senior official (such as compliance officer) to oversee corporate disclosure.

3.2. This official shall be responsible for ensuring that the company complies with continuous disclosure requirements. Overseeing and co-ordinating disclosure of price sensitive information to stock exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure.

3.3. Information disclosure/dissemination may normally be approved in advance by the official designated for the purpose.

3.4. If information is accidentally disclosed without prior approval, the person responsible may inform the designated officer immediately, even if the information is not considered price sensitive.

4. Responding to market rumors

Listed companies shall have clearly laid down procedures for responding to any queries or requests for verification of market rumors by exchanges.

The official designated for corporate disclosure shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and then making the disclosure.

5. Timely Reporting of shareholdings/ownership and changes in ownership

5.1. Disclosure of shareholdings/ownership by major shareholders and disclosure of changes in ownership as provided under any Regulations made under the Act and the listing agreement shall be made in a timely and adequate manner.

5.2. Disclosure/dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investors.

6. Listed companies should follow the guidelines given hereunder while dealing with analysts and institutional investors:

i. Only Public information to be provided - Listed companies shall provide only public information to the analyst/research persons/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest.

ii. Recording of discussion - In order to avoid misquoting or misrepresentation, it is desirable that at least two companies representative be present at meetings with Analysts, Brokers or Institutional Investors and discussion should preferably be recorded.

iii. Handling of unanticipated questions - A listed company should be careful when dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.

- iv. Simultaneous release of Information - When a company organizes meetings with analysts, the company shall make a press release or post relevant information on its website after every such meet. The company may also consider live web-casting of analyst meets.

7. Medium of disclosure/dissemination

- i. Disclosure/dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
- ii. Corporates shall ensure that disclosure to stock exchanges is made promptly.
- iii. Corporates may also facilitate disclosure through the use of their dedicated Internet website.
- iv. Company websites may provide a means of giving investors a direct access to analyst briefing material, significant background information and questions and answers.
- v. The information filed by corporates with exchanges under continuous disclosure requirement may be made available on the company website.

8. Dissemination by stock exchanges

- i. The disclosures made to stock exchanges may be disseminated by the exchanges to investors in a quick and efficient manner through the stock exchange network as well as through stock exchange websites.
- ii. Information furnished by the companies under continuous disclosure requirements, should be published on the website of the exchange instantly.
- iii. Stock exchanges should make immediate arrangement for display of the information furnished by the companies instantly on the stock exchange website.

Form - E

The Compliance Officer Date:

_____ (Name of the Company)

Sub: Application for Pre-Clearance of trade in the securities of the Company

Dear Sir,

I _____ S/D/W/o _____, being a Director / Officer / Designated Employee of the Company hereby seek your approval for:

- a. buying _____ (number) of _____ (type of security) of the Company in my / dependent family members' name,
- b. selling _____ (number) of _____ (type of security) of the Company in my / dependent family members' name,

Through Stock Exchange/private arrangement with M/s / Mr./ Mrs.- having folio no. / DP & Client ID No. _____.

As on date, I/my dependent family members hold the under mentioned securities of the Company:

Name of Holder	Folio No./ DP & Client ID No.	Type of Securities	No. of Securities

I further undertake and confirm that:

- a. I do not have any access to or in receipt of any "Price Sensitive Information" up to the time of signing this undertaking.
- b. In case, I get access to or receive any " Price Sensitive Information" subsequent to the signing of this undertaking but prior to the execution of the transaction, I shall inform you of the change in my position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- c. I have not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
- d. I have made a full and true disclosure in the matter.
- e. I / my dependent family shall execute the transaction in respect of the proposed securities of the Company within one week after the approval of pre-clearance is obtained. In the event of the transaction not being executed within one week from the said approval, I shall again apply for pre-clearance approval for the transaction.
- f. I / my dependent family members undertake to hold the said securities for a minimum period of 30 days in order to be considered as being held for investment purpose.

Yours Faithfully,

Name
 Designation
 Signature