

## **Reliance Group Companies**

### **Code of Conduct**

(Adopted by the Company)

Reliance Group of Companies continually reviews corporate governance best practices to ensure that they reflect global developments. It takes feedback into account, in its periodic reviews of the guidelines to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and other stakeholders.

The Code of Conduct(s) and Business Policies adopted by the Reliance Group Companies are given here.

1. Values and Commitments
2. Code of Ethics
3. Business Policies
4. Ethics Management
5. Prevention of Sexual Harassment
6. Policy on Insider Trading

## **1. Values and Commitments**

### **Introduction**

Every significant management decision has ethical value dimensions. Managing ethics is particularly relevant for Reliance Group Companies today because it is critical to understand and manage highly diverse values in the workplace.

Attention to business ethics is critical during times of fundamental change – times much like those faced now by businesses like ours. In times of such fundamental change, values that were previously taken for granted are now strongly questioned. Many of these values are no longer followed.

Consequently, there is no clear compass to guide us through complex dilemmas about what is right or wrong.

To that end, Reliance Group Companies' Values and Commitments are presented here. These should be used to guide our actions in business conduct.

## **Ethics and Values at Reliance Group Companies**

### **Background**

At Reliance Group Companies, the issue of ethics is simple: it is a simple process that involves defining what is right or wrong, and then doing the right thing. Ethics Management at Reliance Group Companies is about values and associated behaviors. It is a process of defining values and ensuring that corporate and individual employee behaviors epitomize those values.

We at Reliance Group Companies believe that any business conduct can be ethical only when it rests on the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Caring. Strong commitments to these high values have long been building principles for Reliance Group Companies.

These values are not to be lost sight of by anyone at Reliance Group Companies under any circumstances irrespective of the goals that are intended to be achieved. To us, means are as important as the ends.

Though the deeper significance of these values for us can not be captured in words, a brief description of what we really feel about these virtues is outlined below:

### **Honesty**

We are committed to be truthful in all our actions. We strive to be honest and forthright with one another and with all our stakeholders.

### **Integrity**

Reliance Group Companies insists on honesty, integrity and fairness in all aspects of its business and expects the same in its relationships with all those with it does business.

There exists a clear vision and picture of integrity throughout RELIANCE GROUP Companies. Our reward and promotion systems are aligned with this vision of integrity.

Upholding the Reliance Group Companies reputation is paramount. We are judged by how we act. Our reputation will be upheld if we act with integrity in all our dealings, even at a personal level, and we always do what we think is right at all times.

We say what we mean, and deliver what we promise, and promise to stand for what is right. We always honour all our commitments. We stand for loyalty and trustworthiness.

### **Respect**

We are committed to treat everyone fairly and with respect and dignity. We appreciate and value the skills, strengths, and perspectives of our diverse workforce. We request the uniqueness of each employee. We believe that each employee makes a meaningful contribution in Reliance Group Companies' success.

### **Fairness**

Reliance Group Companies is firmly committed to fairness and objectivity in all its action and interactions. Justice and fairness imbibed in the Organization's fabric ensure procedural fairness, impartiality and consistency in Reliance Group Companies operations.

### **Purposefulness**

RELIANCE GROUP Companies sees its activities in terms of higher purposes and ideals. This purposefulness is a way of operating which ties RELIANCE GROUP Companies to its environment at a mutually beneficial dimension.

### **Trust**

We endeavor to foster a participatory work environment where trust and confidence between team members is spontaneous. We always encourage teamwork with open, candid and speedy communication.

### **Responsibility**

Our employees are expected to demonstrate highest levels of personal responsibility and continually affirm that they are responsible to themselves for the pursuit of excellence. At Reliance Group Companies accountability is individual rather than collective. Our employees are committed and enthusiastic to assume responsibility for actions for the organization.

### **Citizenship**

We are a fiercely patriotic company, fully committed to achieving and participating in every conceivable way in the progress and integrity of India.

We are committed to obey all the laws of India and the countries in which we do business and to do our part to make the communities in which we live better.

### **Caring**

Compassion, sharing and kindness are values that we try to inculcate in our decision making process to achieve fairness.

It is imperative that each one of us gets intensely driven from the heart towards upholding of these values in our day to day conduct. This initiative will further stimulate the creation and maintenance of a highly ethical work environment.

## **Commitments**

### **Background**

A firm belief that every Reliance Group Companies team member holds is that the other person's interests count as much as his / her own. It is not surprising that Reliance Group Companies has always been able to strike a mutually profitable equilibrium with ease while interacting with diverse internal and external stakeholder groups. Reliance Group Companies strives to make the good of these diverse stakeholder groups as part of its good.

Reliance Group Companies recognizes that maintaining the trust and confidence of all its stakeholders is crucial to its continued growth and success. We are aware that a company must be an integral part of the society in which it operates: that it must fulfill a number of different expectations – financial, social and environmental: and that there is no substitute to being right.

We seek success by being sensitive and alive to the interests and concerns of others in the society, and by working constructively with them to find solutions of mutual benefit.

In pursuit of these values outlined above, we are committed to the ethical treatment of all our stakeholders.

## **Commitment to Stakeholders**

In all our relationships we demonstrate our steadfast commitment to all our stakeholders:

### **Our employees**

Reliance Group Companies recognize that its commercial success depends on the full commitment of all employees.

We are committed to respect the human rights of our employees. We strive to treat our employees with honesty, just management, due dignity and fairness. We are committed to provide our employees with a good, safe and healthy environment and competitive terms and conditions of service. Reliance Group Companies promotes the development and best use of human talent. It encourages the involvement of employees in the planning, direction and fair appraisal of their work. The employees are also encouraged to participate in the application of these ethics and values within the company.

### **Our customers**

We are committed to produce reliable, world-class quality products and services, delivered on time, at a fair price. Reliance Group Companies strives to win and maintain customers by developing and providing products and services which offer value in terms of price, quality, safety and environmental impact, which are supported by the requisite technological, environmental and commercial expertise.

### **Our environment**

Reliance Group Companies are committed to acting as a concerned and responsible community participant reflecting all aspects of good corporate citizenship. Reliance Group Companies are committed to achieving the global standards of health, safety and environment. Reliance Group Companies works with its community by volunteering and supporting education, medical welfare and other worthy causes that lead to sustainable development.

**Our shareholders**

We are committed to pursuing sound growth and earnings objectives and to exercising prudence in the use of our assets and resources. Enhancing shareholder value remains the prime driving force of Reliance Group Companies' business and financial decisions. We will ensure our success by satisfying our customers and increasing shareholder value.

**Our lenders and other investors**

We are committed to truthful disclosure of all material facts and the regular and timely payment of all our debt service obligations.

**Our Suppliers and other service providers**

We are committed to fair competition and the sense of responsibility required of a good customer.

**The government**

Reliance Group Companies are fiercely patriotic company and is enthused and proud to be a home-grown enterprise.

We are committed to the payment of all-applicable taxes and duties and adherence to all-applicable laws and regulations.

## **2. Policy on Code of Ethics**

### **Background**

Reliance Group Companies' Code of Ethics is in alignment with its values and commitments. The essence of this code is that each employee should conduct the Company's business in a way that upholds its values and commitments.

This code expects every employee to conduct business with integrity, in compliance with applicable laws, and in a manner that excludes consideration of direct or indirect personal advantage / gains.

It is the individual responsibility of each one of Reliance Group Companies' employee to ensure that all of us are aware of these values, commitments, and procedures, and behave in accordance with the spirit as well as the letter of this code.

Reliance Group Companies recognize that it is vital that the behaviour of its employees matches the high intentions and values. Hence, adherence to all the elements of this code and the accompanying principles and procedures is necessary. The principles and procedures in this Code of Ethics apply to all material transactions, large or small, and describe the conduct expected from every Reliance Group Companies' employee.

### **Issues dealt with by Reliance Group Companies' Code of Ethics**

Code of Ethics contains the policy on the following:

- I. Conflict of Interest
- II. Payments and Gifting
- III. Receipt of Gifts
- IV. Purchases through suppliers and other service providers
- V. Regarding full-time consultants, agents, representatives and others
- VI. Political Contributions

## **(I) Policy on Conflict of Interest**

### **1. What is a 'Conflict of Interest'?**

A conflict of interest may exist when an employee is involved in an activity or has a personal (direct or indirect, by himself or through any relative) interest that in the opinion of the company, interferes with the employee's objectivity in performing company duties and responsibilities.

An actual conflict of interest need not be present. Also, a direct loss or disadvantage to the company need not be present / evident. Activities that create the appearance of a conflict of interest also are automatically deemed to be covered by this policy in order not to reflect negatively on the reputation of Reliance Group Companies and / or its employees.

Any 'indirect' interest, held by an employee, in any property, proprietorship, concern, partnership, investment, arrangement, agreement or transaction that creates or can create direct or indirect personal advantage or gains can lead to a conflict of interest.

A conflict of interest can arise when an employee is involved in a transaction / arrangement with any person acting on his / her behalf or at his / her behest for the employee's direct or indirect personal advantage or gains. Such activities, arrangements, transactions, agreements are not allowed and must be discontinued by the employees immediately, failing which the company will commence the contract termination process and disciplinary action.

### **2. What is the essence of this code on conflict of interest?**

Any activity or personal (direct or indirect) interest of the employee, including those of the employee's relatives, that leads to or can lead to a conflict of interest, is prohibited.

Employees are expected to provide truthful, accurate and complete information about certain facts, transactions, and relationships that may have bearing on issues related to conflicts of interests. They are expected to provide details about these facts, transactions and relationships to provide details about these facts, transactions and relationships irrespective of their assessment of whether a conflict of interest exists. Disclosure forms seeking such information will be made available to employees for submitting it in a confidential manner to the Ethics Office.

This is a key element of the plan to implement and enforce the policy on conflict of interest as it promotes self-regulation and is built on the pillars of trust and self-responsibility. Employees are expected to identify conflicts of interest that involve them and are further expected to discontinue activities that result in or can result in conflicts of interest.

### **3. What should employees do to avoid a conflict of interest?**

Employees should steer clear of any situation, which involves or may involve a conflict between their personal interest and the interest of the company.

Employees should avoid any relationship, influence, or activity that might impair, or even appear to impair, their ability to make objective and fair decisions when performing their job.

Employees dealing with customers, suppliers, contractors, competitors or any person doing or seeking to do business with the company are to act in the best interest of the company to exclusion of considerations of direct or indirect personal preference or advantage.

Employees are obliged to place Reliance Group Companies' interest in any business transactions ahead of any direct or indirect personal interest or personal gain to the individual employee or to the employee's spouse, family member, friend or other individual.

An employee should not have an outside employment or be involved in an outside activity which is in direct / indirect conflict with the official duties of the employee. Employees are also prohibited from using their position / title / authority associated with their office or coerces or induces a benefit for themselves or others.

Any declaration by an employee which has any of the above and therefore causes conflict of interest shall be deemed as an act of misconduct and he / she may face disciplinary action.

Certain presumptions will arise against employees acting in contravention with these requirements.

**4. What actions are to be avoided by the employees at all times?**

Any person to whom this policy is made applicable cannot undertake any of the following activities:

- To undertake full-time employment or significant and active managerial or decision-making role in any business enterprise other than Reliance Group Companies.
- Bar on setting up, operating, advising, representing, or getting involved in any manner whatsoever with business enterprise that competes with any of Reliance Group Companies in any of our businesses.
- Holding an investment interest (either directly or indirectly through any relative\*) or any kind of financial involvement or acting as an officer, member, director, partner, consultant, representative, agent, advisor, broker, intermediary or employee or in any other capacity in any outside business enterprise would not be allowed if the outside interest does or proposes to do business with any of Reliance Group Companies (as a supplier, customer, consultant, advisor, agent, broker, intermediary, representative or in any other way).

(\*Relatives include the following Spouse, Father, Mother, Sons, Son's Wife, Daughters, Daughters' Husband, Father's father, Father's Mother, Mother's Father, Mother's Mother, Son's son, Son's Son's wife, Son's Daughter, Son's Daughter's Husband, Daughter's son, Daughter's Son's wife, Daughter's Daughter, Daughter's Daughter's Husband, Brother (including step brother) Brother's Wife, Sister (including Step-Sister) Sister's Husband, Member's of HUF)

- Not to participate in any activity that might lead to or give the appearance of unapproved disclosures of proprietary information or proprietary information owned by others who have entrusted such information to Reliance Group Companies.
- Employees should not use their corporate official title or position to promote a book, seminar, or any other similar activity. All employees may accept honoraria for an appearance, speech or article, provided that the activity does not relate to the employee's official duties.
- An employee cannot be involved or engaged in any other activity that could create the appearance of a conflict of interest and thereby impair Reliance Group Companies' reputation.

**5. What are the exceptions to the above policy?**

- An employee can accept an office in a non-profit organization if he obtains prior approval from the management.
- An employee can accept an office or hold an investment in any outside entity (which is doing or proposes to do business with any of Reliance Group Companies e.g. Joint Venture) if he has obtained approval from the management and such investment / office is held on behalf of or as a nominee of the Company.

## **(II) Policy on Payments and Gifting**

### **1. What are the general principles that employees should bear in mind while making any payments, giving gifts on behalf of Reliance Group Companies?**

Gifts, payments, business courtesies, favours and entertainment may be given to others at company expense only if they meet all of the following criteria:

- They are consistent with customary business practices;
- They are not in contravention of applicable law; and
- Public disclosure of the facts will not create the appearance of impropriety or embarrass either the company or the employee.

Permissible exceptions include: offering Reliance Group Companies advertising or promotional items such as a calendar, or similar item displaying the Company logo and name, and providing modest hospitality connection with business activities.

The ethics office will notify from time to time a list of gifts is permissible.

An employee should never use personal funds or resources to do something that cannot be done with Reliance Group Companies' resources.

### **2. What care should be taken while making payments or giving gifts on behalf of the Company?**

If any doubt exists as to the impact an offer of a business courtesy could have on the reputation of the company or of those involved, the business courtesy should not be offered.

### **3. What are the specific principles pertaining to gifts given to customers?**

Employees may offer business courtesies to customers, provided the following four conditions are all met:

- The business courtesy does not violate any law or regulation or known policy of the customer, and
- The business courtesy is customary and consistent with the business practices of the marketplace in which it is offered.
- Approval at an appropriate level is obtained.
- The business courtesy is properly reflected on the books and records of the Company.

### **4. What are the specific principles pertaining to payments made or allowances given to customers?**

Commissions, rebates, discounts, credits, waivers, and allowances should be paid or granted only by the company on whose books the related sale is recorded, and such payments should:

- Bear a reasonable relationship to the value of goods delivered or service rendered.

- Be by cheque or bank transfer or in kind and note to individual officers, employees or agents of such entity or a related business entity: and
- Be supported by documentation that is complete and that clearly defines the nature and purpose of the transaction.

Agreements for the company to pay commissions, rebates, credits, waivers, discounts or allowances should be in writing, when this is not feasible, the payment arrangements should be supported by an explanatory memorandum for file prepared by the approving business head.

**5. What are the exceptions to the above policy?**

The intent of the above policy is to avoid illegal or unethical payments, or establishing an environment where these may inadvertently be made.

However, the business world is complex and there may be unusual situations in apparent conflict with one or more provisions of the above policy. Some situations may warrant exception if they form acceptable business practice.

In all cases there must be no falsification, misrepresentation or deliberate over-billing relocated in any document involved in the transaction. This includes suppression or omission of documents or of information in documents, or deliberate misdirection of documents.

Commission, rebates, credits, waivers, discounts or allowances that are paid or granted by the Company in conformity with normal standard procedures are deemed to have been established in writing and need not be documented in a written agreement or memorandum for file.

Entertainment or an exchange of gifts purchased at employee expense under circumstances which make it clear that the entertainment or gift is based solely on a family relationship or personal friendship is not considered a business courtesy and is, therefore, not governed by this procedure.

However, when both a business and personal relationship exist, management should review the circumstances. In such cases, all those involved must be sensitive to and avoid any activity or situation that could create an actual or apparent conflict of interest.

**6. What are the specific principles pertaining to payments made or commission paid in connection with purchases?**

All the terms and conditions pertaining to payments made or commissions paid in connection with the company's purchases of goods and services should:

- Be supported by documentation that is complete and that clearly defines the nature and purpose of the transaction;
- Be consistent with trade practices and in line with applicable laws;
- Bear a reasonable relationship to the value of goods delivered or service rendered; and
- Be by cheque or bank transfer or in kind and not to individual officers, employees or agents of such entity or a related business entity.

### (III) Policy on Receipt of Gifts

1. **What are the general principles that any of the Reliance Group Companies employees are expected to bear in mind before accepting any gifts or business courtesies?**

All business courtesies offered to and accepted by Reliance Group Companies' employees are courtesies that belong to Reliance Group Companies. Employees do not have a right to keep a business courtesy for personal use.

When offered a business courtesy, employees should determine whether it is appropriate to accept the courtesy on behalf of Reliance Group Companies after considering why is it being extended and possible repercussions on acceptance.

Acceptance and disposal of any gift / business courtesy has to be in line with the requirements of this code.

2. **What gifts or business courtesies can Reliance Group Companies employees accept?**

An employee may keep a business courtesy

- When the courtesy is usually associated with customary business practices.
- Promotes successful working relationships and goodwill with persons or firms with whom Reliance Group Companies maintains or may establish a business relationship. Such courtesies include infrequent business meals and entertainment that are shared with the person who has offered to pay for the meal or entertainment. However, employees should use good judgments and decline invitation for meals and entertainment that are inappropriately lavish or excessive and are of such nature or magnitude that cannot be reciprocated.
- Conforms to the reasonable and ethical practices of the marketplace, such as flowers, fruits baskets, and other modest presents, that commemorate a special occasion.
- Does not create actual conflict of interest or divided loyalty, such as placing the interests of the person or firm that offered the courtesy above the interests of Reliance Group Companies, including the Company's interest in conducting business fairly and impartially; and
- Does not create the appearance of an improper attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.
- Novelty, advertising, or promotional items of nominal value, such as calendars, pens, and mugs may generally be retained.

When local customs or practices make it inappropriate to decline the business courtesy at the time it is offered, employees should accept the courtesy and follow the guidelines for disposition.

3. **What gifts or business courtesies that any of Reliance Group Companies employees cannot accept?**

Employees shall neither seek nor accept for themselves or others any gifts, favours, business courtesies or entertainment without a legitimate business purpose, nor seek or accept loans (other than conventional loans at market rates

from lending institutions) from any person or business organization that does or seeks to do business with, or is a competitor of the company.

Employees who award contracts or who can influence the allocation of business, who create specifications that result in the placement of business, or who participate in negotiating contracts must be particularly careful to avoid actions that create the appearance of favouritism or that may adversely affect the company's reputation.

Employees should avoid a pattern of accepting frequent courtesies from the same persons or companies.

The following actions made by employees would be completely unacceptable:

- Asking for a business courtesy.
- Accepting a business courtesy when:
  - An attempt is being made by the donor to offer the courtesy in exchange for or to influence, favourable action by Reliance Group Companies.
  - An attempt is being made to motivate an employee to do anything that is prohibited by law, regulations, or Reliance Group Companies or donor policy.
  - An attempt is being made to gain an unfair competitive advantage by improperly influencing an employee's discretionary decisions.
  - Using a company position as a means of obtaining business courtesies, such as personal discounts (on products, services, or other items). Employees may accept Reliance Group Companies -approved discounts or discounts available to all Reliance Group Companies employees.
  - Accepting offers of expense-paid trips for pleasure from persons or firms with whom Reliance Group Companies maintains or may establish a business relationship.
  - Accepting a gift in cash or cash equivalents of any amount.

**4. What is appropriate action in case of gifts that have been accepted but are inappropriate? What should a Reliance Group Companies employee do when the business courtesy or the gift is inappropriate or unacceptable?**

If it is not appropriate to accept or retain a courtesy, the employee should either politely refuse the business courtesy at the time it is offered or follow the following guidelines for disposition.

Whenever an employee has accepted a courtesy that does not meet the criteria for acceptance in this procedure, he or she should use one of the following alternatives:

- Return it to the donor with a polite explanation that Reliance Group Companies policy prohibits retention of the business courtesy.
- Promptly forward the courtesy to the department dealing with community welfare and charities for appropriate disposition.
- Retain the courtesy for displaying with prior approval.
- Retain the courtesy for personal use after prior approval or after paying Reliance Group Companies an amount equal to the fair value of the business courtesy.

If the employee is ultimately permitted to retain such gifts, the Head of Department shall record his / her approval in writing and the employee will retain the approval on file for potential audit review.

**(IV) Policy on purchases through suppliers and other service providers**

**1. What are the general principles of the purchase policy?**

Purchase decision must be made purely on the basis of quality, service, price, delivery, best value, or other similar factors.

Extraneous or personal interest / advantage should never be the criteria for arriving at purchase decisions.

Objective, fair, transparent and responsible criteria must be used while evaluating, passing or rejecting the quality of the goods / services supplied.

If such criteria are being followed, the employees should not have any apprehension and fears about taking any procurement decisions.

Care must be taken to avoid actual / potential conflicts of interest and the appearance of partiality regarding all business transactions with suppliers and other service providers.

**2. What actions should be avoided by Reliance Group Companies employees while dealing with suppliers other service providers?**

Employees may not solicit gifts or courtesies from suppliers / other service providers. However, under certain limited circumstances employees may accept gifts or business courtesies from suppliers / other service providers. Employees may receive business courtesies from suppliers / other service providers only in accordance with Policy outlined in this code.

Business and personal activities must be kept separate. Having both a personal and business involvement with a supplier or potential supplier / other service providers may create a conflict of interest or appearance of partiality. Please refer to the Policy on Conflict of Interest given in this code.

**3. What additional responsibilities are levied on Reliance Group Companies employees under this Code?**

A supplier's or potential supplier's proprietary information and resources must be protected by Reliance Group Companies employees in accordance with Inside Information policy as outlined elsewhere in this code.

Employees are responsible for complying with supplier-imposed limitations governing use of supplier information, including such items as documents and computer software.

Reliance Group Companies proprietary or sensitive information must not be disclosed to a supplier or potential supplier unless disclosure is authorized and in accordance with Inside Information policy as outlined elsewhere in this code.

All company employees, contract labour, consultants, representatives, agents and others acting for the company is prohibited from the following actions:

- Soliciting, accepting, or attempting to accept any kickback.
- Including, directly or indirectly, the amount of any kickback in the price charged under a contract, either as prime contractor or sub-contractor.

The term 'kickback' includes any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind whether in cash or kind that is provided directly or indirectly to anyone for the purpose of inappropriately or improperly obtaining or rewarding favourable treatment.

It should be noted that any action that even appears to be in violation of the above principles would be severely dealt with.

**4. What are the responsibilities that are levied on the suppliers / other service providers as per this policy?**

Suppliers / other service providers are required to ensure that their actions in no way contravene any provisions of Reliance Group Companies' Business Ethics Policies.

They must take special care in respect of the specific requirements of the policy on conflict of interest, payments and gifts and receipt of gifts. These specific requirements will be incorporated as additional terms of all existing and new contracts with all suppliers and vendors.

The overarching principle that the supplier ought to keep in mind is that their actions should not result in any direct or indirect personal advantage or gains for any Reliance Group Companies employee or his / her relatives. It is not relevant for the purposes of this policy whether such actions were performed at the behest of the Reliance Group Companies employee or were suo-moto actions on the part of the supplier.

Any supplier or vendor found to be violating any of these requirements will subject himself to the possibility of termination of his contract and the payment of liquidated damages.

**(V) Policy regarding full-time consultants, agents, and representatives and others**

**1. What are the general principles regarding consultants, agents, and representatives?**

We are committed to maintaining the integrity of our full time consultants, advisors, agents, intermediaries, contractors, brokers, and representatives.

Business integrity is a key criteria for the selection and retention of those who represent Reliance Group Companies.

Appointment of consultants, advisors, agents, intermediaries, brokers, and representatives must not result in the creation of a conflict of interest. For example, when a relative of an employee acts as a consultant, advisor, agent, intermediary, broker and representative of Reliance Group Companies, a conflict of interest may arise. Such instances should be discontinued.

In this context, reference should be made to the company policy on Conflicts of Interest.

Individuals should never be appointed as consultants, advisors, agents, intermediaries, brokers, or representatives with a view to circumvent Reliance Group Companies' ethics and values. Full-time agents, representatives, or consultants who expressly represent or propose to represent Reliance Group Companies' must certify their willingness to comply with the Company's policies and procedures.

## **(VI) Policy on Political contributions**

### **1. What are the general principles regarding political contributions?**

Employees shall not make any contribution of company funds to any political party or committee, domestic or foreign, or to any candidate for or holder of any office of any government –National, State, local or foreign unless it is legally permissible and is appropriately authorized.

Reliance Group Companies employees should not make illegal political contributions, either directly or indirectly, through the use of expense accounts or through payments to third parties or on their own account.

### **3. Business Policies**

- I. Fair Market Practices
- II. Inside Information
- III. Financial, Records and Accounting integrity
- IV. External Communication
- V. Work Ethics
- VI. Personal Conduct
- VII. Health safety environment
- VIII. Quality

**(I) Policy on Fair Market Practices**

**1. What is the essence of the fair market practices adopted by any of Reliance Group Companies ?**

Reliance Group Companies believes that the welfare of consumers is best served by economic competition.

We believe in and strive to protect the free enterprise system. We are committed to the maintenance of an efficient, free and competitive market structure. We compete fairly and ethically for all business opportunities.

**2. What actions should Reliance Group Companies employees refrain from performing?**

Employees should refrain from entering into agreements and practices that unreasonably restrict competition and are in restraint of free trade such as price fixing and boycotting suppliers or customers.

Any commercial strategy based on the intention to run a competitor out of business through unfair pricing or otherwise cannot be followed.

Disparaging, misrepresenting, or harassing a competitor; stealing trade secrets; bribery; and kickbacks are strongly discouraged.

Organisational conflicts in which one business unit's activities may preclude or impede the pursuit of a related activity by another business unit should be avoided.

**(II) Policy on Inside Information**

**1. What is Inside Information ?**

Employees usually have 'non-public' information about Reliance Group Companies or about a company with which Reliance Group Companies does business. Such information is termed 'inside information'.

Inside information includes, but is not limited to, 'unpublished price sensitive information'.

Such inside information may include information about

- new products or processes;
- mergers, acquisitions or dispositions of businesses or securities;
- problems being faced by the company;
- sales;
- profitability;
- negotiations relating to significant contracts or
- business relationships with others;
- significant litigation; or
- other financial, technical, commercial, legal information
- pricing policies
- Customer negotiation details
- Business policies
- Operational discussions and decisions
- Viewpoints of individual manager that may surface in a discussion

**2. What is "unpublished price sensitive" information ?**

Please refer to the Policy on Insider Trading for details.

**3. What are the general principles of the Company policy about Inside Information ?**

It is important to understand that any Reliance Group Companies employee may hold inside information and be subject to the restrictions contained in this policy.

Employees should not give or release, without proper authority, to anyone not employed by the company, or to another employee who has no need or does not have the appropriate authority to receive inside information.

Careful control of and restriction of access to sensitive inside information can significantly inhibit improper use of such information.

Employees should not use inside information obtained while in company employment (including information about customers, suppliers or competitors) for the direct or indirect personal gain of the employee or anyone else.

This includes, but is not limited to, taking advantage of such information by :

- trading or providing information for others to trade in securities or
- acquiring an interest of any kind of property, including but not limited to plant or office sites or adjacent properties or
- advising or assisting or informing a customer, contractor, supplier, consultant, advisor, agents, intermediary, contractor, broker, and representative of the company in a manner which leads to direct or indirect personal gain of the employee or anyone else.

Data transmitted or stored electronically are the assets of the Company requiring protection. Each data user throughout the company is responsible for compliance with the standards and related procedures with reference to safe guarding such data.

Employees who handle particularly sensitive inside information, and who may not have the background to understand the legal and corporate implications of the misuse of such information, should periodically discuss with the Ethics Office the implications of this policy.

If during the course of employment in Reliance Group Companies employees have developed any patent, know how, invention, or process or if they have been entrusted in preparation of any market/other research report, the same is prohibited from being used outside the company.

Employees should also refer to the Insider Trading Policy contained in this policy document to further understand the company's policy on this issue.

Employees found violating the requirements of the Policy on Insider Information would be subject to disciplinary action.

**(III) Policy on Financial and Accounting Integrity**

**1. What is our commitment?**

We are committed to the maintenance of accurate and complete corporate records.

**2. What is expected of employees ?**

Transactions between Reliance Group Companies and outside individuals and organisations must be promptly and accurately entered in our books and systems in accordance with generally accepted accounting practices and principles.

**3. What actions on the part of employees are considered unacceptable?**

Rationalising or even considering misrepresentation of facts or falsification of records is completely unacceptable. It is illegal, will not be tolerated, and will result in disciplinary action.

**4. What is the specific policy to ensure financial and accounting integrity?**

All accounts and records shall be documented in a manner that:

- clearly describes and identifies the true nature of business transactions, assets, liability, income and expenditure and
- properly and timely classifies and records entries on the books of account in conformity with generally accepted accounting practices and principles.

No record or entry or document shall be false, distorted, misleading, misdirected, and deliberately left incomplete or suppressed.

There is no room for:

- Improper or fraudulent accounting;
- Documentation or financial reporting contrary to company's policies and
- Intentional wrong accounting / misclassifications and miscalculations.

The company has established internal control standards and procedures to ensure that assets are protected and properly used and that financial records and reports are accurate and reliable.

Employees share the responsibility for maintaining and complying with required internal controls. Improper accounting and documentation and fraudulent financial reporting are not only contrary to Company policy but also may be in violation of laws and regulations.

**(IV) Policy on External Communication**

**What are the principles for external communication?**

Reliance Group Companies seeks to form a constructive and productive relationship with all aspects of media. Reliance Group Companies recognizes that open communication is essential. Reliance Group Companies has a comprehensive corporate information programme and provides full relevant information about its activities to legitimately interested parties, subject to any overriding considerations of business confidentiality and cost.

Only employees authorised by Reliance Group Company's Corporate Communications Department are permitted to give an interview/or publish an article written by him/her, in various sections of media/radio/T.V. shows, etc.

The above does not apply to non- Reliance Group Companies topics. However, it will be preferred if the employee clears the same prior to the said interview/press article, radio talk or TV show with the Corporate Communications Department.

For further details, reference may be made to the detailed internal guidelines issued by Corporate Communications.

**V. Policy on Work Ethics**

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**1. Why do we need a policy on Work Ethics?**

Success in implementing a Code of Ethics is not likely to be fully achieved in a large organization like Reliance Group Companies without a positive work environment. Inter-personal relations based on the values of respect, harmony and mutual developments are key in this effort.

Managers need to take effort to maintain high standards of interpersonal behaviour to ensure continuing employee development and high levels of morale within the organization.

To that end, a defined code of work ethics can give managers a clearer direction on these issues.

**2. What are the issues that are relevant to promote better work ethics? And what are our policies?**

**Business confidentiality**

- Employees are expected to maintain business secrecy and confidentiality by ensuring that inside information policy is implemented. For instance, employees should not share with others any information that they may come to acquire during the process of closed door discussions with other employees/outsideers.

**Favouritism in the workplace**

- All Departmental / Business Heads must treat each and every employee in their department equally.
- It is but natural for a manager to trust, respect and depend upon one employee most than another – a result of experience, common interests, goals or backgrounds.
- The underlying principles is that each one of us, regardless of our position within Reliance Group Companies, are expected to work to create an environment where people are valued as individuals and treated with respect, dignity, fairness and equality, thus leaving no room for displays of favoritism.

***Avoid behaviours and actions that can result in a Conflict of Interest***

- For a conflict of interest to exit, direct benefit to the employee may or may not be feasible. Conflict of interest may also arise when an emotional attachment to a person by way of relation or allied interests can affect or affects the decisions made by the employee. The employee should conduct himself and arrange his affairs in way that ensures he is not involved in any arrangement or circumstance, including relations or other personal relationships that might dissuade him from acting in the best interest of the company.
- An employee should not use directly or indirectly his influence within the company on an officer of the company, or other executives, or on any outside party, that may benefit an employee and/or his family and/or his relations and/or any persons covered above.

***Avoiding Intellectual Dishonesty***

- Employees should perform their actions with sincere diligence and honesty. They should strive to attain high levels of intellectual integrity and honesty. Employees should strive to be true to themselves while performing their duties. A typical example of intellectual dishonesty would be when an employee decides to present an inaccurate picture of his work/performance to his superiors even when he is consciously aware of the inaccuracy. Such behavior should be avoided.
- Intellectual integrity fosters leadership qualities in employees. Managers should strive to instill, encourage, and appreciate intellectual integrity in their colleagues.

***Gossiping at Work***

- There is no place for malicious rumors and gossip, both of which attack the spirit of the individual and attempt to divide us into groups.
- At Reliance Group Companies's workplace, employees should not gossip. Of course, it is only natural that we communicate with other employees, but our office is no place for rumors / gossip.
- Whenever you are communicating / passing information (casually or not), do so in a manner that ensures that the message heard by those listening, is as accurate as possible.
- Insinuations, half-truths, malicious rumors must be avoided.
- Reliance Group Companies ethical work place is based on trust, honesty, candor and teamwork.

***Other related standards***

The following guidelines are suggested:

- To tidy up work areas.
- To organize all files, papers and documents.
- To punch in the Time-o-log attendance system each time an employee leaves / returns to office.
- Refrain from using office assets and properties for personal work.
- Maintain company property and assets with appropriate care.

***Other office behavioural standards***

The cost of these activities is high, especially in the areas of motivation, morale and stress, quality, turnover, productivity, pride as well as customer satisfaction – all the areas that we want to emphasize in a highly ethical company.

- Refrain from “scapegoating” – blaming others for missed commitments, bad decisions or poor results.
- Allowing the boss/ colleagues to fail by withholding information or by not pointing out risks.

- Over-promising a customer/ colleague.
- Turf-guarding / protecting yourself from losing control or power.
- Withholding / purposely delaying information required by another department/ colleague.
- Risk aversion – not doing what is needed to succeed because you fear the consequences of failure more than you value the reward of success.
- Not delivering on commitments due to the fact that the other person's priorities are not important to you or because you look good by looking better than someone else.
- Misuse of time : Time is an asset and the misuse of that asset is just as wrong as the misuse of any of our assets here at Reliance Group Companies.

***Examples of mischarging time :***

- Taking personal time off and not reporting it.
- Long lunches and breaks.
- Wasting time at work on computer games, personal business or reading magazines.
- Time spent on telephone on personal matters or working during office hours on personal projects.
- Calling outsiders at the work place and conducting personal/ other business appointments.

***Transparency***

- What is Reliance Group Companies policy on Transparency? Reliance Group Companies and all its employees undertake to conduct all the business transactions and take all decisions which are relevant to their function, in a transparent and reasoned manner keeping in mind, the established norms of confidentiality and secrecy which are necessary to protect the business and competitive interests of Reliance Group Companies.
- The employees shall conduct all their actions in a manner complying with all laws and requisite disclosures thereunder.
- The employees shall endeavour to create an internal communication network in their spheres of operation and activity, which is transparent and unhindered by levels in organizational hierarchy.

***Protection and use of Assets***

- What is the company's policy on protection and use of assets? It is the primary responsibility of each employee to protect and properly utilize the Company's assets including proprietary information. Employees must safeguard company's physical property and other assets against unauthorized use or removal, as well as against loss by criminal act or breach of trust.

**VI. Policy on Personal Conduct**

1. What are employees expected to do?

Reliance Group Companies employees are expected to ensure that their conduct at all times, in official as well as personal capacity is such that Reliance Group Companies reputation is upheld.

They must remember that one is judged by how he or she acts and the company he or she keeps. Our reputation will be upheld if we act with integrity in all our dealings, even at a personal level, and we always do what we think is right at all times.

2. What is the policy on personal conduct?

In official as well as personal capacity, employees at no times should indulge in any action / behaviour that :

- Violates any law; or
- Is indicative of personal indiscretion; or
- Is socially unacceptable.

3. **What is the essence of this policy on conduct at home?**

When judging the relevance of any personal indiscretion or socially unacceptable behaviour by an employee, whether at work or elsewhere, consideration of following questions may be helpful :

- Could the employee's conduct leave him or her vulnerable to special pressures from others in a way that might affect his or her work?
- Could the employee's conduct prejudice Reliance Group Companies good name?

4. **What are some common actions that can be considered as improper conduct?**

- Exercise of sound judgement and common sense will equip every employee to judge as to whether his / her actions can be construed as improper conduct. The key question that employees need to ask themselves at all times is whether this conduct befits a cultured, mature, and socially responsible adult?
- It also must be kept in mind that while major lapses of law and social behaviour are usually prevented very often seemingly minor mistakes can and do result in improper conduct. Even such actions need to be avoided.

***Indicative examples are :***

***Violation of law***

- Possession of liquor in excess of permissible limits is a violation of the excise laws.
- Possession of foreign exchange in excess of defined limits is in violation of forex laws.
- Holding undeclared or undisclosed assets.

**Acts of personal indiscretion or socially unacceptable behaviour**

- Getting drunk in a party or a social function or misbehaving in public.
- To be under the influence of liquor, narcotics or any other form of intoxication while representing Reliance Group Companies or reporting to work at the Reliance Group Companies premises or at a customer's / supplier's premises.
- Using abusive – expletive infested language
- Inflicting verbal abuse on anyone (including employees)
- Loud and irresponsible behavior in public which causes discomfort and embarrassment to surrounding people.
- Manhandling or physical assault on any one.
- Unreasonable criticism
- Undue show of authority
- Reporting to work in an inappropriate dress or presenting oneself in a shabby manner

The range of possibilities covered by this policy is too wide for any pre-defined guidelines. Respect for the self as well as for others has to be the guiding principle for personal conduct. However, it is imperative that employees remember to exercise sound judgement and demonstrate a serious sense of responsibility and maturity all times and in official as well as personal capacities.

## **VII Policy on Health Safety and Environment**

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### **What is Reliance Group Companies policy on Health Safety and Environment?**

“Safety of person overrides all the Production Targets” – is the Health, Safety and Environment Policy of Reliance Group Companies.

To attain this, the Health Safety and Environment in the plants are safeguarded by the provision of :-

- Properly designed plants.
- Effective use of safe working procedures and practices.
- Meeting in all respects the applicable statutory requirements.
- Clearly defined procedures for inspection, operation and emergency shut down and their updating.
- Imparting relevant training and strict validation of employees after training.
- Continuous, systematic and micro level auditing – internal as well as external – of work procedures and practices.
- Continuous and systematic education of Company’s Contractors’ and Transporters’ personnel for observing safe work practices.
- A detailed investigation of all incidents including the minor ones and near-miss incidents followed by recommendations to avoid recurrence.
- Analyse the findings of investigations of accidents in similar industry and take steps to prevent such accidents in the plants.
- Keep abreast with the latest international codes, standards and practices.
- Continuous monitoring of plant and ambient environment as well as of various effluents – liquid, gas and solid – to maintain a clean and safe environment in and around the plants.
- Pre-employment and periodic medical check-ups of employees for early identification of occupational health hazards.

**VIII Policy on Quality**

***What is Reliance Group Companies policy on Quality ?***

We at Reliance Group Companies are committed to total customer satisfaction in terms of quality and services for the entire range of our products.

Our continued commitment to excellence and innovative efforts help us stay ahead as market leaders.

## **(4) Ethics Management**

**Reliance Group Companies** have established an elaborate Ethics Management Organization to underscore our commitment to ethical conduct throughout our Company. It is a key part of vigorous corporate-wide efforts to promote a positive and ethical work environment.

Ethics Compliance Process

**Reliance Group Companies** Code of Ethics and Business Policies are applicable to:

- all personnel in the management cadre; and
- all full-time consultants, representatives, suppliers, contractors and agents

Applicability of the code and policies to other employees will be reviewed at a later date.

### **Step 1 : Adoption and Acceptance of the Code and Policies**

All employees should adopt and accept the code and policies with immediate effect. A letter containing an affirmation / undertaking to that effect will be kept on record from each employee in and above the management cadre. This will be a one-time requirement.

Such acceptance of the code and the policy will be considered as an automatic amendment of the terms and conditions of employment as outlined in the letter of appointment.

Refusal by an employee to accept this policy / code will lead to his / her dismissal.

Refer annexure 1

### **Step 2 : Disclosure**

Every person covered under this code shall submit, no later than fifteen days from the date of the acceptance letter as explained in step 1, to the Ethics Office all the information required for the implementation and enforcement of the Code of Ethics. This will also be a one-time requirement

Refer annexure 2

### **Step 3 : Annual Reporting**

Every person covered under this code shall file, before each January 1, with the Ethics Office:

- an affirmation of personal compliance with Code of Ethics and Business Policies in the preceding year, and
- a statement listing all his potential conflicts of interest as defined in the Code of Ethics, or if there are none, a statement to that effect.

- the duly filled questionnaire on ethics compliance; and
- the duly filled information disclosure forms.

Refer Annexure 3

**Step 4: Compliance review process**

The Ethics Compliance Process comprises of the following:

1. Employees are urged to resolve all conflicts of interest and violations of the policy by self-regulation.
2. Ethics Office will use information collected from the disclosure and annual report process and if required obtain additional information to ensure that no conflict of interest or violation of ethics policy exists.
3. Conflicts of interest and violation of the policy will be promptly resolved by immediate termination of relevant contracts and / or appropriate disciplinary action.
4. For current year (2006), all conflicts of interest and violation of the policy will be resolved by termination and / or disciplinary action within 15 days of acceptance of the policy / code.

The employee should note the following details:

All actual / existing conflicts of interest and violations of the code should be promptly resolved by the employee by the process of self-regulation involving immediate termination of relevant contracts / arrangements.

If the employee cannot for any reasons resolve conflicts and violations by self-regulation, he or she should to seek clarification of, and discuss questions about, each actual or potential conflicts and violations of the policy with the Ethics Office.

Each actual or potential conflict of interest or violation of policy should be reported promptly with full disclosures to the Ethics Office as soon as the conflict / violation arise.

Employee must also note the conflicts / violation in his / her annual business ethics report.

Requests for a conflict of interest and violation of policy determination will be reviewed on a case-by-case basis. The request should include, as a minimum, the following information:

A description of the employee's duties and responsibilities with **Reliance Group Companies**.

In respect of actual or potential conflict of interest, a description, in general terms, of the proposed outside activities to be performed by the employee, including the name, product lines, and market of the outside company or business in which the employee proposes to become involved.

A description of the relationship of the outside company or business to **Reliance Group Companies**, if any (for example, supplier, customer, similar products or, competitor).

The proposed level of the employee's involvement in, or proposed position to be held with, the outside company or business (for example, owner, employee, representative, consultant, advisor).

Any other details in respect of an actual or potential violation of the code.

If the situation is deemed not to be a potential conflict of interest or a violation of the code, management should notify the employee of the decision in writing. When the potential conflict of interest or a violation exists and it is considered to be unacceptable the Ethics Office should promptly resolve the matter by initiating the actions that lead to termination of relevant contracts and / or appropriate disciplinary action.

All information disclosed to management as required by this code shall be treated confidentially, except to the extent necessary to protect the Company's interest; principles of natural justice would be applicable to the decisions and review processes of the Ethics Office.

#### **Step 5: Ongoing Counseling and Ethics Education**

In order to support its ethics programme, **Reliance Group Companies** will develop a comprehensive ethics education and communication programme. These programmes will be developed to provide employees with job-specific information to raise their level of awareness and sensitivity to key ethical issues.

While strongly recommending that employees err on the side of the caution, to begin with, here are some practical ways to hone individual sensitivities towards ethical dimensions in decision making.

**Warning Signs**

You're On Thin Ethical Ice When You Hear Yourself saying....

- "Well, may be just this once..."
- "No one will ever know..."
- "It doesn't matter how it gets done as long as it gets done."
- "It sounds too good to be true."
- "Everyone does it."
- "Shred that document."
- "We can hide it."
- "No one will get hurt."
- "What's in it for me?"
- "This will destroy the competition."
- "We didn't have this conversation."

If you find yourself using any of these expressions, take the Quick Quiz given below and make sure you are on solid ethical ground.

**Quick Quiz – When In Doubt, Ask Yourself...**

1. Are my actions legal?
2. Am I being fair and honest?
3. Will my action stand the test of time?
4. How will I feel about myself afterwards?
5. How will it look in the newspaper?
6. Will I sleep soundly tonight?
7. What would I tell my child to do?

**12 questions to help you address ethical dilemmas**

1. Have you defined the problem accurately?
2. How would you define the problem if you stood on the other side of the fence?
3. How did this situation occur in the first place?
4. To whom and to what do you give your loyalty as a person and as a member of the corporation?
5. What is your intention in making this decision?
6. How does this intention compare with the probable results?
7. Whom could your decision or action injure?
8. Can you discuss the problem with the affected parties before you make your decision?
9. Are you confident that your position will be as valid over a long period of time as it seem now?
10. Could you disclose without qualm your decision or action to your boss, your Managing Director, the board of directors, your family, society as a whole?
11. What is the symbolic potential of your action if understood? Misunderstood?
12. Under what conditions would you allow exceptions to your stand?

If you are still not sure what to do, ask the relevant Ethics Officer and keep asking until you are certain you are doing the right thing.

Issue Based Counselling Facility

If any employee, whether covered by this Code or not, feels that any of his actions or any actions of any of his peers, superiors or colleagues, at the official or personal level, can be or is in contravention of the letter of spirit of this Code, then he can approach the office of the Chief Ethics for suitable redressal.

Employees are advised to use the following confidential means of communication (email: [ethics@relianceada.com](mailto:ethics@relianceada.com)) if they need additional information or if they wish to discuss a matter of concern with the Ethics Office.

When anyone contacts this Office:

They will be treated with dignity and respect.

Their communication will be protected to the greatest extent possible.

Their concerns will be seriously addressed and, if not resolved at the time you call, they will be informed of the outcome.

They need not identify themselves.

There will never be a penalty for accessing the Ethics Office.

People in a position of authority can't stop anyone from accessing the Ethics Office. If they try, they're subject to appropriate disciplinary action.

**ANNEXURE 1**

**Acceptance Letter**

Name \_\_\_\_\_  
Employee Code No. \_\_\_\_\_  
Title \_\_\_\_\_  
Department \_\_\_\_\_  
Address \_\_\_\_\_  
Tel \_\_\_\_\_  
Fax \_\_\_\_\_  
Email \_\_\_\_\_

Date:

To

The Ethics Office

**Subject: My acceptance of Reliance Group Companies Code of Ethics and Business Policies**

As an employee of the **Reliance Group Companies**, I confirm that I have received, read and understood the following policy documents:

- 1. Values and Commitments;
- 2. Code of Ethics;
- 3. Business Policies;
- 4. Insider Trading Policy; and
- 5. Ethics Management

Any unclear points in these documents have been satisfactorily clarified in discussions with the Ethics Office.

I am pleased to accept and adopt the policies contained in these documents.

I assure the company that I will truthfully follow the policies and procedures outlined in the code (and amendments thereto from time to time). I will also provide the detailed information disclosures and ethics compliance reports as outlined in the Code from time to time. I understand that I have a personal duty to bring all (actual or potential) violations of these policies to your attention.

I confirm that I can carry out my day-to-day work within the spirit and letter of these policies and codes.

I am aware and fully understand that these codes and statements as outlined above will now form a part of my contract of employment and this acceptance leads to automatic amendment of the terms and conditions of my employment as outlined in the appointment letter given to me.

I understand that I will not suffer if the business is lost as result of the observance of these policies.

I appreciate that this marks an important step in **Reliance Group Companies** corporate development and also my personal growth.

Assuring the company of my continuing commitment.

Signature  
(Name)

**ANNEXURE 2**

**Disclosure under the Code of Ethics**

Name \_\_\_\_\_  
 Employee Code No. \_\_\_\_\_  
 Title \_\_\_\_\_  
 Department \_\_\_\_\_  
 Address \_\_\_\_\_  
 Tel \_\_\_\_\_  
 Fax \_\_\_\_\_  
 Email \_\_\_\_\_

Date:

To  
 The Ethics Office

1. Are you a director / member / partner / owner in any company / firm / sole proprietor concern?

Yes / No

If yes please give the following details:

Name of the firm / company	Name of other Partners / Directors	Relationship with Reliance Group Companies e.g. its supplier / customer / contractor / intermediary / Broker / consultant / advisor / competitor	Do you have direct control or any influence over the management process of the firm / company?	DO you have direct control or any influence over Reliance Group Companies decisions that affect its relationship with the firm / company?

2. Is any of your relative, a director / member / partner / owner in any company / firm / sole proprietor concern?

Yes / No

If yes, please give the following details:

Name of the firm / company	Name of the relative	Relationship with you	Name of other Partners / Directors	Relationship with Reliance Group Companies e.g. its supplier / customer / contractor / intermediary / Broker / consultant / advisor / competitor	Do you have direct control or any influence over the management process of the firm / company?	DO you have direct control or any influence over Reliance Group Companies decisions that affect its relationship with the firm / company?

(\*Relatives include the following Spouse, Father, Mother, Sons, Son's Wife, Daughters, Daughters' Husband, Father's father, Father's Mother, Mother's Father, Mother's Mother, Son's son, Son's son's wife, Son's Daughter, Son's Daughter's Husband, Daughter's Son, Daughter's Son's wife, Daughter's Daughter, Daughter's Daughter's Husband, Brother (including step brother), Brother's wife, Sister (including step-sister) Sister's Husband, Member's of HUF)

3. Source of my income

Source	Yes	No
Income from Salary		
Profits from Business		
Income from Profession		
Capital Gains		
Income from House Property		
Interest Income		
Dividend Income		
Other Sources		

4. Details of Reliance Group companies Shares held by my relatives and me (Relatives include the following Spouse, Father, Mother, Sons, Son's Wife, Unmarried Daughters) as of \_\_\_\_\_.

Name	Relationship	Nature of the security	Reliance Group Companies (nos)			

I hereby confirm that all information as mentioned above is true to the best of my knowledge and belief.

I hereby indemnify the company from the impact of any consequences that may arise on account of incorrect / wrong disclosure or misstatement on my part in the above form.

Thanking you,

Signature  
(Name)

**ANNEXURE 3**

**Annual Compliance**

Name \_\_\_\_\_  
Employee Code No. \_\_\_\_\_  
Title \_\_\_\_\_  
Department \_\_\_\_\_  
Address \_\_\_\_\_  
Tel \_\_\_\_\_  
Fax \_\_\_\_\_  
Email \_\_\_\_\_

Date:  
To  
The Ethics Office

This is to confirm that I have read and understood fully, Reliance Group Companies Business Policies and Code of Ethics as adopted and as amended from time to time by the Company.

As desired by the said code I hereby confirm that, during the reporting period, I have complied with all the provisions of the Policies / Codes.

I further confirm that I have taken care that none of my actions violate any of the Policies / Code.

I further confirm that none of my actions or that of my relatives / associates / friends' actions have resulted into any unaccepted conflict of interest or spoiled the image of the company (with the exceptions, if any, as stated in the Enclosure 1 hereto\*\*). The annual compliance questionnaire and information disclosure is given in the attached forms.

I am aware that the management of the Company is at liberty to take any action which it may deem fit in case the above declaration is found false at a latter date. I hereby agree to indemnify and keep the company indemnified from the impact of any such consequences that may arise on account of incorrect and wrong disclosure or misstatement on my part in the above form.

I hereby confirm that all information as mentioned above is true to the best of my knowledge and belief.

Thanking you,

Signature  
Name  
Title

Encl:

1. Description of conflicts of interest / violations of the policy. (For guidance on what details should be given here please refer to "Chapter 5. Ethics Management and Compliance" "Section title Step 4: Compliance review process"

2. Questionnaire for Annual Reporting on Ethics Compliance.
3. Information Disclosure required for implementing the Code of Ethics.

**Questionnaire for Annual Reporting on Ethics Compliance**

[For clarification on each question in this Annual Report-Ethics Compliance Questionnaire, reference may be made to the detailed document containing the Policies or assistance may be sought from the Ethics Office].

<b>Question</b>	<b>Y</b>	<b>N</b>	<b>NA</b>
<b>Awareness</b>			
1. Have you read Reliance Group Companies Business Ethics Policies contained in : Values and Commitments; Code of Ethics; Business Policies; Insider Trading Policy; and Ethics Management?			
<b>Overall compliance with Values and Commitments</b>			
2. Have you ensured that your business and personal conduct reflects the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Caring?			
<b>Overall compliance with commitments to our stakeholders</b>			
3. Do your actions reflect and uphold the company's commitment to the ethical treatment of all our stakeholders – our employees, our customers, our environment, our shareholders, our lenders and other investors, our suppliers and the Government?			
3.1 In any of your interactions with our stakeholders, have you violated our strongly held belief that the other person's interests count as much as our own?			
<b>Overall Compliance with the Code of Ethics</b>			
4. Has your business conduct been in alignment with the values described in our Code of Ethics and Values?			
4.1 Have you conducted the company's business with integrity, in compliance with applicable laws, and in a manner that excluded considerations of any direct or indirect personal advantage / gains to you?			
<b>Compliance with the policy on Conflict of Interest</b>			
5. Do any of your activities or personal (direct or indirect) interests, including those of your relative's, lead to or can lead to a conflict of interest? If the reply is 'Yes', please provide details.			

**Compliance with the policy on Payments and Gifting:**

6. Have you ensured that before extending any gifts, business courtesies, favours and entertainment on behalf of the Company that

They are consistent with customary business practices;  
They are not in contravention of applicable law; and  
Public disclosure of the facts will not create the appearance of impropriety or embarrass neither the company nor the employee?  
If the reply is 'No', please provide details.

**Compliance with the policy on Receipt of Gifts**

7. In respects of business courtesies / gifts offered to you and / or accepted by you have you ensured that principles enshrined in the policy were adhered to?

If the reply is 'No', please provide details.

**Compliance with the policy on Fair Market Practices:**

8. Have you at any time in the previous year entered into agreements and or engaged in practices that unreasonably restrict competition and are in restraint of free trade?

If the reply is 'Yes', please provide details.

**Compliance with the policy on Procurement / purchases through suppliers:**

9. If you made any procurement decisions did you ensure that they were made purely on the basis of quality, service, price, delivery, best value, or other similar factors?

If the reply is 'No', please provide details.

9.1 Did you take care to avoid conflicts and the appearance of partiality regarding all business transactions with suppliers?

If the reply is 'No', please provide details.

**Compliance with the policy on Insider Information:**

10. If you were in possession of 'insider information' have you ensured that it was not given or released, without proper authority, to anyone not employed by the company, or to another employee who has no need for information or is not authorized to receive such information?

If the reply is 'No', please provide details.

**Compliance with policy on Insider Trading:**

11. Have you at any time in the previous year had access to "unpublished price sensitive" information about Reliance Group Companies or any other firm?  
If yes,

12. Have you ensured that you (and your relatives\*) have, at no time in the previous year traded (brought or sold) the securities of Reliance Group Companies or the other firm when you had access to and were in possession of such "unpublished price sensitive" information about Reliance Group companies or any other firm?

12.1 Have you ensured that you (and your relatives\*) traded (bought or sold) securities of Reliance Group Companies or the other firm only after Reliance Group Companies or the other firm made the announcement / action that caused the unpublished price sensitive information to reach public domain?

12.2 If you had been designated as specified employee under this policy have you restrained yourself / your relatives\* from trading in the Reliance Group Companies securities during the 'ban' period (period commencing on the date of intimation given to the Stock Exchange about the meeting to the date of release of a quarterly or annual statement earnings and ending at the time of the announcement / action by Reliance Group Companies that caused the unpublished price sensitive information / financial results to reach public domain?)

(\*Relatives include the following Spouse, Father, Mother, Sons, Son's Wife, Unmarried Daughters)

**Compliance with the policy on Financial, Records and Accounting integrity:**

13. Are involved in the finance, record keeping or accounting functions?

If the reply is 'Yes', please answer the following

13.1 Have you ensured that accurate and complete corporate records have been maintained?

13.2 Have you ensured that transactions between Reliance Group Companies and outside individuals and organizations have been promptly and accurately entered in our books and systems in accordance with generally accepted accounting practices and principles?

13.3 Have you at any time been involved in falsification of records, misrepresentation / mis-statement of details in respect of any transactions?

**Compliance with the policy on appointment of agents, consultants and representatives:**

14. Have you appointed / or approved the appointment of / are aware of any appointment of any full-time consultant, advisor, agent, intermediary, broker, or representative of Reliance Group Companies that leads to or can lead to a Conflict of Interest?

14.1 If the reply to above is 'Yes', have you ensured that such instances of conflict of interest have been discontinued?

If the reply is 'No', please give details.

14.2 If you have appointed / or approved the appointment of any full-time consultant, advisor, agent, intermediary, broker, or representative of Reliance Group Companies have you ensured that such person(s) have certified their willingness to comply with the Company's Business Ethics Policies?

If the reply is 'No', please give details.

**Compliance with the policy on external communication**

15. Have you given any interview to the media or published an article in newspapers / magazines without appropriate authorization?

If the reply is 'Yes', please give details.

**Compliance with the policy on Political Contributions**

15.1 Have you have made / authorized the payment of any political contribution out of company funds?

15.2 If yes, have you ensured that it was legally permissible and was appropriately authorized?

If the reply is 'No', please give details.

**Compliance with the policy on work ethics**

16. Have you complied with the policy on work ethics pertaining to the following issues: Business confidentiality, favouritism, gossiping, office behaviour, transparency and protection and use of assets?

**Compliance with the policy on Personal Conduct:**

17 Have you ensured that your conduct all times, in official as well as personal capacity is such that Reliance Group Companies reputation is upheld?

17.1 Have you at any time indulged in any action / behaviour that

Violates any law; or  
Is indicative of personal indiscretion; or  
Is socially unacceptable?

17.2 Have you ensured that your conduct at all times befits a cultured, mature and socially responsible adult?

**Compliance with the policy on health safety environment**

18. Do any of your actions violate the company's policy on health safety environment?

If the reply is 'No', please give details.

**Compliance with the policy on quality**

19. Do any of your actions violate the company's policy on quality?

If the reply is 'No', please give details

Additional details, if any:

---

I hereby confirm that all information as mentioned above is true to the best of my knowledge and belief.

I hereby confirm that all information as mentioned above is true to the best of my knowledge and belief. I hereby indemnify the company from the impact of any consequences that may arise on account of incorrect and wrong disclosure or misstatement on my part in the above form.

Thanking you

Signature

Date:

## (5) Policy on Prevention of Sexual Harassment

### 1.1. Objective

to promote a productive work environment;

- 1.2 not to tolerate verbal or physical conduct of a sexual nature by any employee that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment.

Harassment that is unchecked has the potential to hurt the employer's operations through decreased productivity and increased employee turnover.

### 2. Scope

This policy is applicable to all allegations made against an employee, irrespective of whether sexual harassment is alleged to have taken place within or outside Company premises.

### 3. What constitutes Sexual Harassment?

- 3.1 Sexual harassment can be defined as unwelcome sexual advances, requests for sexual favours, and other verbal and physical conduct of a sexual nature by any person(s) when:

- submission to that conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- submission to or rejection of that conduct by an individual is used as the basis of employment decisions affecting the individual or denying equal opportunity in pursuit of career development; or
- the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

- 3.2 This conduct includes:

a. Unwanted physical contact or conduct of any kind, including sexual flirtations, touching, molestation, advances, or propositions;

Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references;

Demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages;

The display in the workplace of demeaning, insulting, intimidating, pornographic or other offensive or derogatory or sexually suggestive objects, pictures, photographs;

- 3.3 Based on these criteria, sexual harassment typically is categorized into two types:
- a. **"Quid Pro Quo (this for that) Harassment"**: Sexual harassment by managers and supervisors generally is considered "quid pro quo" harassment when it involves the solicitation of sexual favours in exchange for some type of employment decision. To prove quid pro quo harassment, a complaining employee must show that he/she was subject to an unwelcome request for sexual favours by a supervisory employee and that his/her acquiescence to, or rejection of, the request was used as the basis for decisions affecting his/her compensation, terms, conditions, or other privileges of employment. Preferential Treatment also may constitute quid pro quo harassment.
  - b. **"Hostile Work Environment Harassment"**: Harassment by nonsupervisory employees generally falls into the category of "hostile environment" sexual harassment rather than "quid pro quo" harassment. Typically, there is no direct link between the offensive conduct and a tangible job benefit or detriment in hostile environment cases. An employer is responsible for hostile environment harassment by nonsupervisory employees only if the employer knew or should have known of the harassment and failed to take immediate and appropriate remedial action.
- 3.4 Sexually harassing or offensive conduct in the workplace, whether committed by supervisors, managers, nonsupervisory employees, or non-employees, is prohibited.
- 3.5 Any of the above conduct, or other offensive conduct, directed at individuals because of their race, caste, creed, religion, physical disability, family background, pregnancy or age is also prohibited.

#### **4. Responsibility of the Employee**

Any employee who believes that a supervisor's, manager's or other employee's actions or words constitute unwelcome harassment has a responsibility to report or complain about the situation as soon as possible. The report or complaint should be made to the department head or Personnel Manager.

**5. Compliant Procedure**

- 5.1 The report or complaint should be made to the employee's supervisor or to the department head or Personnel Manager if the complaint involves the supervisor or manager.
- 5.2 Complaints of harassment will be handled and investigated under the Company's grievance policy, unless special procedures are considered appropriate.
- 5.3 All complaints of harassment will be investigated promptly as per the Investigation Procedure and in as impartial and confidential a manner as possible.
- 5.4 Employees are required to cooperate in any investigation.
- 5.5 Each complaint should be resolved within a period of 2 months from the complaint and communicated to the parties involved.
- 5.6 Any employee utilizing the compliant procedure will be treated courteously.
- 5.7 A person knowingly making a false claim shall also be subject to disciplinary action.

**6. Investigation Procedure**

- 6.1 A timely investigation of allegations of sexual harassment is important. A complaining employee or unjustly accused individual also may suffer increasing emotional distress the longer any resolution is delayed.

**6.2 The investigator**

The supervisor or other person receiving the complaint should refer the complaint to the personnel department without delay. The personnel department should choose an investigator. Typically, the investigator should be a human resources professional who is specially trained to conduct sexual harassment investigations. The investigator should be sensitive to the emotional nature of this type of investigation. He/She should also understand what constitutes sexual harassment under both the employer's policy and the law in order to evaluate the complaint properly. Apart from business relationship, investigators should not have any involvement with the complainant or the alleged harasser.

**6.3 The investigation process**

The process should provide a fair method for both sides to be heard and to receive information. The employer and its investigator should not prejudge the alleged harasser's guilt. Witnesses should be interviewed as soon as possible. All responses should be documented and, if possible, statements should be written and signed by the person

providing the information. In addition, all participants in the investigation should be reminded that their cooperation and confidentiality are required.

#### **6.4 Interviewing the involved parties**

The investigator should be prepared to deal with the complaining employee's embarrassment and anger by patiently, but firmly, explaining that details are needed for an accurate investigation.

The complaining party should be interviewed first, to ensure that all important details and witnesses are identified promptly.

It is important for interviewers to be objective and nonjudgmental and allow the alleged harasser to respond to each allegation. The investigator also should inform him of the type of disciplinary action that may be taken if the allegations are found to be true.

Both parties should be told to avoid contact with one another, and ways to minimize contact should be implemented.

The complaining employee should be encouraged to report any further incidents of harassment or retaliation.

Witnesses should be told as little as possible about the details of the complaint in order to reduce the employer's exposure to later claims of defamation.

The investigator should recognize that there might be no eyewitnesses. Thus, the employer may have to resolve a sexual harassment claim based on the credibility of the parties.

### **7. Training for Supervisors and Employees**

7.1 To be effective, a policy against sexual and other harassment must be implemented carefully and should include training for all personnel. The training should identify the types of behaviours that are offensive or prohibited and educate all employees to respond appropriately to harassing situations.

7.2 Training for all employees should include:

- a. a statement that the employer condemns harassment of any kind, even if it is not explicitly prohibited by the employer's policy or by law;
- b. the definition of harassment, with particular attention paid to the legal definitions of sexual harassment;
- c. a description of prohibited conduct, as is provided in the Policy;

- d. the consequences of violating the policy against harassment, and the types of behaviour that may lead to immediate termination;
- e. the grievance procedure for handling complaints; and
- f. encouragement to report harassment and reassurance that there will not be any retaliation for complaints or reports of harassment.

7.3 In addition to training, all employees should receive a copy of the written policy and any further revisions. Employers also should provide training for all new hires and for those employees who are new to management positions.

## **8. Training for supervisory personnel**

8.1 Supervisors and managers play a key role in preventing and eliminating harassment since they are in a position to identify potentially harassing behaviour.

8.2 Training for supervisory personnel should include:

- a. an awareness of harassment;
- b. methods of prevention of harassing behaviour and
- c. appropriate responses when an employee complains of harassment.

8.3 However, supervisors and managers can cause severe problems if they engage in any form of harassment themselves. If proved guilty, they will be subject to strict disciplinary action, up to and including termination.

## **9. Consequences of Violation of the Policy**

Any employee, supervisor, or manager who is found to have violated the harassment policy will be subject to appropriate disciplinary action, up to and including termination. The Company prohibits any form of retaliation against employees for bringing bona fide complaints or providing information about harassment. However, if an investigation of a complaint shows that the complaint or information was false, the individual who provided the false information will be subject to disciplinary action, up to and including termination.

## **(6) Code of Conduct for Prevention of Insider Trading**

### **The 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, Reliance Communications Limited hereby notifies that this Code of conduct is to be followed by all Directors, officers, designated employees and connected persons.

### **Part A - Definitions**

- A.1 'Insider Trading'** means when insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions.;
- A.2 'Insider'** means any person who (i) is or was a "Connected Person" or a "Deemed Connected Person" and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of a Company, or (ii) who has received or has had access to such unpublished price sensitive information;
- A.3 'Company'** means Reliance Communications Limited;
- A.4 'Compliance Officer'** means the Company Secretary of the Company.
- A.5 'Connected Persons'** means any person who
- (a) is a director of the Company; or
  - (b) an officer or designated employee of the Company; or
  - (c) has a professional or business relationship with the Company
- A.6 'Deemed Connected Persons'** means and includes:
- (a) Any group company, company under the same management or subsidiary of the Company;
  - (b) Relatives of the Connected Persons;
  - (c) Bankers of the Company;
  - (d) Merchant Banker, Share Transfer Agent, Registrar to an issue, Debenture Trustee, Broker, Portfolio Manager, Investment Advisor, Sub-broker or any employee thereof having a fiduciary relationship with the Company;
  - (e) Trustees of any trust the beneficiaries of which include any of the Connected Persons;
  - (f) Trustees of any trust who are conferred with the Power of Attorney to act on behalf of beneficiaries in respect of securities of the Company, wherein any of the connected persons holding interest ;
  - (g) Any person who was a connected person, whether temporary or permanent six months prior to an act of insider trading;
  - (h) Persons having professional or business relationship between themselves and the Company, whether temporary or permanent and by virtue of such relationship are expected to be in possession of price-sensitive information;
  - (i) Any other person or category of persons mentioned in Regulation 2 of the SEBI (Prohibition of Insider trading) Regulations, 1992;
- A.7 '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;

**A.8 'Officer'** means and includes any employee of the Company in the rank of Executive Sr. Vice President and above cadre and includes Auditors of the Company;

**A.9 'Designated Employee'** shall mean:

- (a) CEO/CFO;
- (b) All employees in Executive Sr. Vice President and above cadre; and
- (c) Employees designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable.

**A.10 'Dependent Family Members'** shall mean the employee's spouse, dependent parents and dependent children;

**A.11 'Price Sensitive Information'** shall mean 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 inter alia, deemed to be price sensitive information:-

- (a) periodical financial results of the Company;
- (b) intended declaration of dividends (both interim and final);
- (c) issue of securities or buy-back of securities;
- (d) any major expansion plans or execution of new projects;
- (e) amalgamation, mergers or takeovers;
- (f) disposal of the whole or substantial part of the undertaking;
- (g) any significant changes in policies, plans or operations of the Company.
- (h) disruption of operations due to natural calamities;
- (i) commencement of any new commercial production or commercial operations where the contribution there from is likely to exceed 10% of the total turnover of the Company during that financial year;
- (j) developments with respect to changes in pricing/realisation on goods and services arising out of changes in government policy;
- (k) Litigation/dispute with a material impact;
- (l) Revision of credit ratings assigned to any debt or equity instrument of the Company;
- (m) 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;

**A.12 'Prohibited Period'** means the period effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting, upto 24 hours after the price sensitive information is submitted to the Stock Exchange.

**A.13 'Free Period'** means any Period other than the Prohibited Period.

Words and expressions not defined in these Regulations shall have the same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 1992 (Regulations) or the Securities and Exchange Board of India Act, 1992.

## **Part B**

### **1. Compliance Officer**

The Company has appointed the Company Secretary as Compliance Officer who shall report to the Chairman of the Company.

#### **Duties of Compliance Officer**

- (a) He shall maintain a record of designated employees and any changes made to the list of Connected Persons.
- (b) He may in consultation with the Chairman and shall as directed by the Board, specify Prohibited Period from time to time and immediately make an announcement thereof to all concerned.
- (c) He shall maintain a record of Prohibited Period specified from time to time.

- (d) He 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, monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of the Company.
- (e) He shall maintain records of all the declarations submitted in the appropriate form given by the Directors, Officers, and Designated Employees for a minimum period of three years.
- (f) He shall place before the Chairman, on a monthly basis all the details of the dealing in the securities by Designated Employees, Directors, Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in these rules.
- (g) He shall from time to time inform the Stock Exchanges of any price sensitive information on immediate basis.
- (h) He shall intimate to all Stock Exchanges on which the securities of the Company are listed the relevant information received.
- (i) He 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 and report to the Chairman.
- (j) He shall inform SEBI of any violation of SEBI (Prohibition of Insider Trading) Regulations, 1992 within 7 days of knowledge of violation.

**2. Preservation of "Price Sensitive Information"**

Directors, Designated Employees, 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**

Unpublished 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 and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

**2.2 Limited access to confidential information**

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and pass word, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

**3. Prohibition on Dealing, Communicating or Counseling on Matters Relating to Insider Trading**

No Insider shall –

- (a) either on his own behalf, or on behalf of any other person, deal in securities of the Company when in the possession of any unpublished price sensitive information;
- (b) communicate, counsel or procure, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required in the ordinary course of business or under any law.

**4. Trading Restrictions**

All directors/ officers and designated employees of the Company shall be subject to trading restrictions as enumerated below :-

**4.1 Trading Window**

The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to

the fact that the Directors, Officers and Designated Employees will, during that period, often possess unpublished price sensitive information.

During such sensitive times, the Directors, Officers and Designated Employees will have to forego the opportunity of trading in the Company's securities.

The Directors, Officers and Designated Employees of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

**4.2 The trading window shall be, inter alia, closed at the time of:-**

- (a) Declaration of Financial results (quarterly, half-yearly and annual)
- (b) Declaration of dividends (interim and final)
- (c) Issue of securities by way of public/ rights/bonus, etc.
- (d) Any major expansion plans or execution of new projects
- (e) Amalgamation, mergers, takeovers and buy-back
- (f) Disposal of whole or substantially whole of the undertaking
- (g) Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;
- (h) Commencement of any new commercial production/commercial operations where the contribution there from is likely to exceed 5% of the total turnover of the Company during that financial year;
- (i) Developments with respect to changes in pricing/ realisation on goods and services arising out of changes in government policy;
- (j) Litigation/dispute with a material impact;
- (k) Revision of credit ratings assigned to any debt or equity instrument of the Company;
- (l) 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;

**4.3.** The period of closure shall be effective from the date on which the Company sends intimation to Stock Exchange advising the date of the Board Meeting, up to 24 hours after the Price sensitive information is submitted to the Stock Exchange.

**4.4** The trading window shall be opened 24 hours after the information referred in 4.2 is made public.

**4.5** All Directors, Officers, Designated Employees of the Company and their dependents shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.

**5. Pre-clearance of trades**

All Directors, Officers, Designated Employees of the Company and their dependents who intend to deal in the securities of the Company during free period in excess of **1000 Securities** in number shall pre-clear the transactions as per the pre-dealing procedure as described hereunder. The Company Secretary is authorised to change the number of Securities from time to time.

**5.1 Pre-dealing Procedure**

An application for pre-clearance of trade may be made in **Form 'G'** to the Compliance Officer alongwith an undertaking (UT) 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 and their dependents 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 Designated 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 or she shall inform the Compliance officer of the change in his position and that he or she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- (c) That he or 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 or she has made a full and true disclosure in the matter.
- (e) The Compliance Officer shall on receiving an application provide the Director, Officer, and Designated Employee with an acknowledgement on the duplicate of the application.
- (f) The Compliance Officer shall grant approval within 2 days from the date of acknowledgement.
- (g) The Compliance Officer shall retain copies of all applications and acknowledgements.
- (h) In exceptional circumstances consent may not be given if the Compliance officer is of the opinion that the proposed deal is on the basis of possession of any unpublished Price sensitive information. There shall be no obligation to give reasons for any withholding of consent.
- (i) If so requested by the Compliance Officer, Director, Officer, Designated Employee and their dependents must ensure that his stockbroker is authorised to disclose to the Company all matters relevant to his share dealings.

## **5.2 Other restrictions**

All Directors, Officers, Designated Employees and their dependents shall execute their order in respect of securities of the Company *within 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 Directors, Officers, and Designated Employees and their dependents must pre clear the transaction again.

All Directors, Officers, Designated Employees and their dependents shall *hold their investments in securities* for a minimum period of 6 months irrespective of mode of acquisition in order to be considered as being held for investment purposes.

In case the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing his or her reasons in this regard. An application for waiver of holding period shall be made to the Compliance Officer in Form 'H'.

## **6. Reporting Requirements for transactions in securities**

### **6.1 Initial Disclosures**

Every existing Director, Officer and Designated Employee of the Company and newly joined Director, Officer and Designated Employee of the Company on being appointed as such shall disclose to the Company, in **Form 'I'**, the number of Securities or voting rights in the Company held by him and their dependent family members. The existing Director, Officer and Designated Employee of the Company have to make disclosure on or before date specified by the Compliance Officer and newly appointed Director, Officer and Designated Employee has to make disclosure within 2 working days of becoming a Director or Officer or Designated Employee of the Company.

### **6.2 Continual Disclosures**

- (a) Every Director, Officer and Designated Employee of the Company shall disclose to the Company, in **Form 'D'**, the number of shares or voting rights in the Company held by him and change in his shareholding or voting rights from the last disclosure made under this Clause or under Clause 6.1, if such change exceeds Rupees Five lakh in value or 25,000 shares or 1% of the total

shareholding or voting rights, whichever is lower or any revised limits notified by SEBI from time to time.

“Change” means a net change arrived at after taking netting off purchases and sale of securities.

- (b) The aforesaid disclosure has to be made within 2 working days of :-
  - (i) the receipt of intimation of allotment of shares; or
  - (ii) the acquisition or sale of shares or voting rights as the case may be
- (c) The disclosures under this Clause shall be sent to the Compliance Officer/ Company Secretary of the Company.

### **6.3 Quarterly / Annual Disclosures**

All Directors, Officers, Designated Employees dealing in the Securities of the Company shall be required to forward following details of their Securities transactions including the holdings of dependent family members to the Compliance officer:

- (a) All holdings in securities of the Company by Directors, Officers, Designated Employees at the time of joining the Company;
- (b) In respect of existing Directors, Officers, Designated Employees, all holdings in securities of the Company as on the date specified by the Company Secretary.
- (c) Statement of any transactions in securities of the Company, whether pre-clearance of trade was obtained or not, in **Form ‘E’** on a quarterly basis within 10 days from the end of each quarter; and
- (d) Annual statement of all holdings in securities of the Company in **Form ‘F’** as on March 31 of each year, before April 15 of that year.

### **6.4 Disclosure by the Company to Stock Exchanges**

Within 2 working days of the receipt of the information under Clause 6.2 of the Regulations, the Compliance Officer shall, if required, disclose to all Stock Exchanges on which the Company is listed, the information received.

### **6.5 Records of disclosures received by the Company**

The Compliance officer shall maintain records of all the declarations in the appropriate form given by the Directors, Officers, and Designated Employees for a minimum period of three years.

The Compliance officer shall place before the Chairman, on a monthly basis all the details of the dealing in the securities by the Designated Employees, Directors, Officers including their dependents 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**

Any Director, Officer, Designated Employee who trades in securities or communicates any information for trading in securities, in contravention of the code of conduct may be penalised and appropriate action may be taken by the Company.

Directors, Officers, Designated Employees of the Company who violate this Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage salary freeze, suspension, withholding of promotions, etc.

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

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

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

\_\_\_\_\_ XXXXX \_\_\_\_\_