

**Almondz Capital & Management Services Ltd.**

**CODE OF CONDUCT UNDER CORPORATE GOVERNANCE  
ADOPTED ON 29<sup>TH</sup> OCTOBER, 2005**

**1. Introduction & Applicability**

Almondz Capital & Management Services Ltd.'s Code of Conduct is in alignment with its values and commitments. The essence of this code is that each of the members of the Board and employees, including the Audit Committee, should conduct the Company's business in a way that upholds its values and commitments.

It is expected from every person, on which this Code is applicable, 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 to ensure that all of them are aware of these values, commitments, and procedures, and behave in accordance with the spirit as well as the letter of this Code.

**2. Definitions**

In this Code, unless the context otherwise provides:

2.1 **Company** – means Almondz Capital & Management Services Ltd. (ACMS)

2.2 **Board** – means Board of Directors of ACMS and includes:

- a) Part time Directors/ Non-Executive Directors;
- b) Wholetime Director, by whatever name called; and
- c) Chairman and Vice Chairman or Managing Director.

2.3 **Code** – means this Code of Conduct

2.4 **Designated Employees** – All the employees of the Company.

**Purpose of the Code**

This Code will provide Directors and Designated Employees of the Company a general guidance on the standards of conduct expected from them. The Board and Designated Employees shall:

- exercise the care, diligence and skill of a reasonably prudent person under comparable circumstances;
- ensure to enhance and maintain the reputation of the Company;

- strive to contribute towards the growth, stability and service that the Company seeks to provide to its clients, members, stakeholders and society in general;
- conduct themselves in a professional, courteous and respectful manner at all times;
- make available to and share with fellow Directors or Designated Employees, as the case may be, all information as may be relevant to ensure proper conduct and sound operation of the Company.

The Board and Designated Employees should sign the acknowledgement form at the end of this Code and return the form to the Secretarial Department, indicating that they have received, read and understood, and agree to comply with the Code. The signed acknowledgement form will be located with the Secretarial Department.

***Disclaimer***

*Nothing in this Code, in any Company policies and procedures, or in other related communications (verbal or written), creates or implies an employment contract or term of employment.*

**Code of Conduct** contains the policy on the following:

1. Conflicts of Interest & Other Directorships
2. Entertainment, Gifts & Donations
3. Corporate Opportunities
4. Public Disclosure
5. Confidentiality
6. Insider Trading
7. Professional Development
8. Protection and Proper Use of Company's Assets
9. Compliance with Applicable Laws, Rules & Regulations
10. Sanctions for Code Violations
11. Annual Review
12. Waivers and Amendments of the Code
13. Where to seek Clarification

## **1. Conflicts of Interest & Other Directorships**

The Board and Designated Employees of the Company shall avoid any conflict, or the appearance of a conflict, between his/her personal interests and the interests of the Company. A conflict exists when his/her personal interest interferes with the interests of Company as a whole, or when he/she takes actions or have interests that may make it difficult for him/her to perform his/her job objectively, effectively and unbiasedly.

The Company depends upon the integrity of the Board and Designated Employees, who have knowledge of a decision or activity of the Company that involves or might involve a conflict of interest.

The Board and Designated Employees shall disclose all the circumstances that constitute an actual or apparent conflict of interest. These disclosures shall be made to the Board of Directors or the Audit Committee, as the case may be.

The Company feels that serving on the Boards of Directors of the other companies may raise substantial concerns about potential conflict of interest. And therefore, the Board and Designated Employees shall report / disclose such relationships to the Board of Directors or Audit Committee, as the case may be, in consultation with the Managing Director.

## **2. Entertainment, Gifts & Donations**

The Board and Designated Employees shall not receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business (or uncompetitive) favours or influence any business decision for the conduct of business. Permissible exceptions include: offering Company's advertising or promotional items such as a calendar, or similar item displaying the Company logo and name.

The Secretarial Department in consultation with the Administration and Accounts Department, will notify, from time to time, a list of permissible gifts.

The Board and/or Designated Employees should never use personal funds or resources to do something that cannot be done with Company's resources.

The intent of the above policy is to avoid illegal or unethical payments, or establishing an environment where these may inadvertently be made. Some situations may warrant exception if they form acceptable business practice.

Entertainment or an exchange of gifts purchased at Board's and/or Designated Employees' 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 Code.

### Policy on Receipt of Gifts

The Board and/or Designated Employees can keep a business courtesy when acceptance of the courtesy:

- is usually associated with customary business practices.
- promotes successful working relationships and goodwill with persons or concerns with whom the Company maintains or may establish a business relationship.
- 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 conflict of interest or divided loyalty, such as placing the interests of the person or firm that offered the courtesy, above the interests of Company; and
- Novelty, advertising, or promotional items of nominal value, such as calendars, pens, and mugs may generally be retained.

The Board and/or Designated Employees shall neither seek nor accept for himself or herself or for 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.

### **3. Corporate Opportunities**

The Board and Designated Employees of the Company have a duty to advance the interests of the Company as a whole. Therefore, he/she must not:

- take for himself/herself personally, opportunities, including investment opportunities, discovered through the use of his/her position in the Company, or through the use of Company's property(ies) or information;
- use Company's property(ies), information, or position for his/her personal gain or the gain of a family member; or
- compete, or prepare to compete, with the Company.

### **4. Public Disclosure**

The Company is committed to a policy of fair, accurate, timely, and clear disclosure to shareholders, of material information regarding its business. This policy extends to the filings of various Returns/ Reports/ Statements, etc. with the various Regulatory Authorities and to other public communications.

The Board and Designated Employees involved in the Company's regulatory reporting process and in preparing and making public communications regarding Company's business, must take reasonable steps to comply with this policy.

## **5. Confidentiality**

Any information concerning the Company's business, its clients, etc., which is not in public domain and to which the Board and/or Designated Employees has/have access or possess such information, must be considered confidential and held in confidence, unless authorized to disclose by the Managing Director, and when disclosure is required as a matter of law or required in the ordinary course of business of the Company.

Confidential information includes all non-public information, the disclosure whereof might be detrimental to the interest of the Company, its affiliates, its lenders, its portfolio companies, its clients, or its other business partners, or useful to its/their competitors.

## **6. Insider Trading**

The Company has formulated a Code of Conduct to prevent Insider Trading. The Board and Designated Employees shall comply with the requirements of the Code. The Board and Designated Employees shall not derive benefit or assist others in deriving benefit by giving investment advice, from the access to and possession of information which is not in public domain, about the Company and/or its clients companies, and therefore constituting insider trading.

## **7. Professional Development**

The Board and Designated Employees will encourage and support the professional development of fellow employees of the Company and provide them all necessary assistance and co-operation.

## **8. Protection and Proper Use of Company Assets**

The Company's assets are to be used only for legitimate business purposes. The Board and Designated Employees should protect the Company's assets and ensure that they are used efficiently. Incidental personal use of telephones, fax machines, copy machines, personal computers and similar equipment is generally allowed, if there is no significant added cost to the Company, does not interfere with his/her or fellow employees work/duties, and is not related to an illegal activity or to any outside business.

## **9. Compliance with Applicable Laws, Rules and Regulations**

The Board and Designated Employees of the Company have a duty to comply with all the laws, rules and regulations that apply to the Company's business. They must acquire appropriate knowledge of the legal requirements relating to their duties, either from

internal source or from an outside source. Violations of applicable laws, rules and regulations may subject them to individual criminal or civil liabilities, as well as disciplinary action/s by the Company. Such individual violations may also subject the Company to the civil or criminal liabilities or the loss of business.

#### **10. Sanctions for Code Violations**

It is the ethical responsibility of the Board and Designated Employees to abide by and enforce this Code. The Board of Directors shall take necessary disciplinary action against any Director and/or Designated Employees who would be found guilty of violating this Code.

Violations of the Code will result in appropriate corrective action/s, up to and including immediate termination of employment at the sole discretion of the Board of Directors of the Company. If the violation involves potentially criminal activity, the individual(s) in question may be reported, as warranted, to the appropriate authorities.

#### **11. Annual Review**

The Board and Designated Employees shall affirm compliance with this Code on an Annual basis in consultation with the Managing Director.

#### **12. Waivers and Amendments of the Code**

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code may be subject to modification/amendment, from time to time. Any amendment or waiver of any provision of this Code, must be approved in writing by the Company's Board of Directors and promptly disclosed at the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

#### **13. Where to Seek Clarification**

The Board and Designated Employees can get clarification regarding this Code of Conduct from the Company Secretary of the Company.

**Acknowledgment:**

I have received the Company's Code of Conduct for the Board and Designated Employees. I have read and understood the Code and agree to be governed by it at all times.

\_\_\_\_\_  
**(Signature)**

\_\_\_\_\_  
**(Name)**

\_\_\_\_\_  
**(Date)**

\* Please sign and return this Form to the Secretarial Department.