

NALWA SONS INVESTMENTS LIMITED

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT EXECUTIVES

Philosophy

It has been long pursued policy and commitment of NALWA SONS INVESTMENTS LIMITED (hereinafter referred to as “the Company”) to adhere to highest standards of integrity – professional and financial – and business ethics in the operation of its business. We believe that this organization has been handed to us by the various stakeholders in “trust” and we as professional managers are the “trustees” of those stakeholders. It is therefore our responsibility to ensure that the organization is managed in a manner that protects and furthers the interests of our stakeholders.

Applicability

The Code of Conduct shall apply to:

- 1) All Directors of the Company, whether executive or non-executive including nominee directors;
- 2) All employees from the rank of Executive and above.

The Code

All Board Members and Senior Management Executives:

I. CONFLICT OF INTEREST:

- A) Shall steer clear of any situation, which involves or may involve a conflict between their personal interest and the interest of the Company.
- B) Shall 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.
- C) Shall in the event of apprehending any conflict of interest, disclose the relevant facts in writing explaining the circumstances that create or could create the conflict of interests to:(a) Board Members in case of Directors (whole-time & part-time) and (b) Chairman in case of Senior Management Executives for further directions in the matter.
- D) Shall neither directly or indirectly, give any official favors for personal purposes nor spend any money of the Company for personal purposes.
- E) Shall not hold any positions or jobs or engage in outside businesses or other interests that adversely affect the performance of duties of the Company. They are expected to devote their full attention to the business interests of the Company.
- F) Shall declare their outside business interests at the time of engagement and limit outside business activities to avoid any conflict of interests or breaches of any of the provision of this Code.
- G) They are also prohibited from using their position / title / authority associated with their office or coerce or induce a benefit for themselves or others.
- H) Shall not exploit for their personal gain, opportunities that are discovered through Company’s business, information or position, unless the opportunity is disclosed fully in writing to the Company’s Board Members and Chairman as the case may be.

NALWA SONS INVESTMENTS LIMITED

The main areas of actual or potential conflicts of interest would include the following:

- Financial interest of a Board Member or Senior Management Executive of the Company or his relatives, including the holding of an investment in the subscribed share capital of any company or a share in any firm which is an actual or potential competitor, supplier, customer, distributor, joint venture or other alliance partner of the Company.
- A Board member or Senior Management Executive of the Company conducting business on behalf of his/her Company, or being in a position to influence a decision with regard to his/her Company's business with a supplier or customer of which his/her relative is a principal, officer or representative, resulting in a benefit to him/her or his/her relative.
- Award of benefits such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of a Board Member or Senior Management Executive of the Company, where such an individual is in a position to influence the decision with regard to such benefits.

II. CONFIDENTIALITY

- A) Shall respect the confidentiality of data made available to them from time to time. Such respect for confidentiality shall also continue after such person ceases to hold office as Director or serve the organization.
- B) Shall not 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 the Company.
- C) Shall not use the confidential information through their association or employment with the Company to further their private interests or the private interests of their relatives.
- D) Shall not give any statement detrimental to the interests of the Company to the press or any other form of media

III. LEGAL AND REGULATORY COMPLIANCE

- A) Shall take every reasonable step to ensure adherence to the laws of the land.
- B) Shall comply with all applicable regulations, both in letter and in spirit. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.
- C) Shall adhere to the Insider Trading Code of the Company.
- D) Shall comply with all regulations/ guidelines issued by the Securities and Exchange Board of India (SEBI) regarding investment in the Company's shares or other securities issued from time to time.

IV. GENDER FRIENDLY ENVIRONMENT

- A) Shall help promote equality of gender, class and caste in so far as the same relates to the activities of the Company.
- B) Shall encourage women employees to report any harassment concerns and be responsive to any complaints of harassment or other unwelcome and offensive conduct.

NALWA SONS INVESTMENTS LIMITED

V. SOCIAL RESPONSIBILITY:

- A) Shall in their decisions respect the necessity of protecting the environment consistently with the need of sustainable development.
- B) Shall be committed to be a good corporate citizen, not only in compliance with all relevant laws and regulations, but also by actively assisting in the improvement of the quality of life of the people in the communities in which the Company operates, with the objective of making them self-reliant.

VI. COST CONSCIOUSNESS:

- A) Shall exercise their responsibilities with utmost cost consciousness within the organization and shall promote the same.
- B) Shall not use any facility of the Company for their personal use except when such facility has been provided for personal use by policy or specific permission.

VII. TRANSPARENCY AND ACCOUNTABILITY:

- A) Shall be transparent in all their dealings except in cases where the needs of business security dictate otherwise and shall hold themselves accountable to the appropriate authority/body.

VIII. DEALINGS WITH PEOPLE IN THE ORGANIZATION:

- A) Shall practice and encourage the spirit of productive debate and discussion among the employees and with the Board as the situation may warrant.
- B) Shall not show disrespect to their superior officers or to the authority of the Board.
- C) Shall not engage in misinformation, disinformation or personal vilification or victimization of any employee or stakeholder.
- D) Shall uphold the values of trust, teamwork, mutuality and collaboration, meritocracy, objectivity, self-respect and human dignity.

IX. RELATIONSHIP WITH SUPPLIERS AND CUSTOMERS:

- A) Shall never compromise with the interest of the Company in all their dealings with suppliers and customers.
- B) Shall neither seek nor accept for themselves or others any gifts, favors, business courtesies or entertainment without a legitimate business purpose.
- C) Shall not offer or authorize to offer gifts, payments, business courtesies, favors and entertainment or any benefits, which are inconsistent with customary business practices or create the appearance of an improper attempt to influence business decisions.

X. FINANCIAL REPORTING AND RECORDS

- A) Shall ensure that the Company's accounts are prepared and maintained fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines,

NALWA SONS INVESTMENTS LIMITED

principles, standards, laws and regulations of the country in which the Company conducts its business affairs.

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

- B) Shall ensure that all required information is accessible to Company auditors and other authorized parties and government agencies. There shall be no willful omissions of any Company transactions from the books and records, no advance income recognition, and no hidden bank account and funds.

XI. COMPETITION

- A) Shall fully strive for the establishment and support of a competitive, open market economy in India, and shall cooperate in efforts to promote the progressive and judicious liberalization of trade and investment by the country.
- B) Shall not engage in activities that generate or support the formation of monopolies, dominant market positions, cartels and similar unfair trade practices.
- C) Shall market the Company's products and services on their own merits and shall not make unfair and misleading statements about competitors' products and services.

XII. HEALTH, SAFETY AND ENVIRONMENT

- A) Shall strive to provide a safe and healthy working environment and comply, in the conduct of business affairs, with all regulations regarding the preservation of the environment.
- B) Shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

XIII. PROTECTING COMPANY ASSETS

- A) Shall ensure that the Company's assets are not misused but employed for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc.

XIV. PATENTS AND DISCOVERIES

Board Members and Senior Management Executives shall maintain confidentiality of knowledge/patents and shall not put the same to personal use. They are often engaged in various forms of research or problem solving for the Company. The product of their efforts produced within the scope of their employment belongs to the Company, whether the product was concluded while actually at work or not. Such products include computer programs, technical process, inventions, research methods, reports or articles, and any other form of innovation or development.

XV. GENERAL:

NALWA SONS INVESTMENTS LIMITED

- A) Shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct while working for the Company as well representing the Company without allowing their independent judgment to be subordinated and fulfill the fiduciary obligations.
- B) Shall dedicate sufficient time, energy and attention to the Company to ensure diligent performance and be aware of and seek to fulfill his or her duties and responsibilities as set forth in the Company's Memorandum & Articles of Association and Corporate Governance Guidelines.
- C) Shall at all times make an endeavor to attend such meetings /occasions including Board and Committee meetings as are required of the person for the benefit, growth and development of the Company.
- D) Shall not illegally withhold any property or documents of the Company and should ensure protection of the same at all times.
- E) Shall not knowingly suppress a material fact, which can be detrimental to the interest of the Company, from the appropriate authority/body.
- F) Shall not make any statement, verify any return or form, containing any particulars, knowing it to be false.
- G) Shall practice a conduct of giving highest respect to humans and human values and must promote the same.

This Code of Conduct shall also be placed on the website of the Company.

NO RIGHTS CREATED

This Code sets forth guidelines for conduct for the Board Members and Senior Management Executives. It is not intended to nor does it create any right in favour of any Board Member or Senior Management Executive, client, supplier, customer, shareholder, or any other person or entity.

WAIVER AND AMENDMENTS OF THE CODE

No waiver of any of the provisions of this code shall be valid unless, the Board Members of the Company approves such waiver in case of Directors and by Chairman in case of Senior Management Executives

The provisions of this Code can be amended by the Board of Directors of the Company from time to time.

NALWA SONS INVESTMENTS LIMITED

ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT

All Board Members and Senior Management Executives shall acknowledge the receipt of this Code indicating that they have received, read and understood, and agreed to comply with the Code and send the same to the Compliance Officer. Upon revision of this Code, the Board of Directors and Senior Management Executives shall acknowledge and execute an understanding of the Code.

By order of the Board.

(Bhartendu Harit)
Company Secretary

NALWA SONS INVESTMENTS LIMITED

APPENDIX-I

Code of Conduct for Board of Directors and Senior Management Executives

ACKNOWLEDGEMENT FORM

To,

Sh. Bhartendu Harit,
Company Secretary
Nalwa Sons Investments Limited
Delhi Road,
Hisar – 125 005.

Dear Sir,

I, have received and read the Company's "Code of Conduct for Board of Directors and Senior Management Executives ("this Code").

I have understood the provisions and policies contained in this Code and agree to comply with this code.

Signature :

Name :

Designation :

Date :

Place :