

CODE OF CONDUCT UNDER CLAUSE 49 OF THE LISTING AGREEMENT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

1. INTRODUCTION

- 1.1 This Code of Conduct (hereinafter referred to as the "Code") shall be called "The Code of Conduct for Board Members and senior management personnel" of Modex International Securities Ltd. (hereinafter referred to as the "Company").
- 1.2 This Code envisages that the Board of Directors of the Company ("Board") and Senior Management Personnel (as hereinafter defined) (collectively referred to as "Officers") must act within the bounds of the authority conferred upon them and with a duty to comply with the requirements of applicable law.
- 1.3 The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company, and thus to sustain the trust and confidence reposed in the Officer by the shareholders of the Company. Officers are expected to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.
- 1.4 The principles prescribed in this Code are general in nature and lay down broad standards of compliance and ethics, as required by Clause 49 of the listing agreement with the Stock Exchanges, where shares of the Company are listed, (hereinafter referred to as "Stock Exchange"). The Officers should also review other applicable policies and procedures of the Company for specific instructions and guidelines, which are to be read in conjunction with this Code.
- 1.5 All Officers should sign the acknowledgment from annexed as Appendix III hereto and return the form to the Manager/ Compliance Officer indicating that they have received, read, understood and agree to comply with the Code. All Officers shall be required affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Compliance Officer/ Company Secretary, in the form annexed hereto as Appendix II.

2. DEFINITIONS & INTERPRETATION

- 2.1 In this Code, unless repugnant to the meaning or context there of, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:
 - i. "Board" shall mean the Board of Directors of the Company;
 - ii. "Board Members" shall mean the Directors on the Board of Directors of the Company;
 - iii. "Company" shall mean MODEX INTERNATIONAL SECURITIES LTD.
 - iv. "Government" shall mean Govt. of India.
 - v. "Officers" shall collectively refer to the Board Members and the Senior Management Personnel.
 - vi. "PRICE SENSITIVE INFORMATION" includes any information which relates directly or indirectly to the Company and which if published is likely to materially affect the price of Securities of the Company.
 - vii. "Relative" shall have the same meaning assigned to the term in Sections 2(41) and 6 of the Companies Act, 1956, read with Schedule IA of the Companies Act, 1956, and as more specifically detailed in Appendix I

- viii. "Securities" includes
 - a. shares, scrips, bonds, debentures, debenture stock or other marketable securities of a like nature;
 - b. puts, calls or any other option on the Company's Securities even though they are not issued by the Company;
 - c. futures, derivatives and hybrids; and
 - d. such other instruments as may be declared to be such by the Compliance Officer from time to time.
 - ix. "Senior Management Personnel" shall mean personnel of the Company who are members of its core management team excluding the Board of Directors and would comprise of all members of management one level below the Directors.
 - x. "Whole Time Directors" shall mean the Board Members who are in the Whole-time employment of the Company.
 - xi. "Non Whole Time Directors" shall mean the Board Members who are part-time Directors and not in the whole time employment of the Company.
- 2.2 In this Code words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

3. APPLICABILITY

This Code shall be applicable to the following persons:

- i. Board Members
- ii. Senior Management Personnel.

The Directors and Senior Management Personnel should continue to comply with other applicable/ to be applicable policies, rules and procedures of the Company.

4. ETHICAL CONDUCT

Every Officer shall act within the authority conferred upon him by the Company and under applicable law, keeping the best interest of the Company in view and shall:

- i. Act with professionalism utmost care, skill diligence, honesty, good faith and integrity as well as high moral and ethical standards;
- ii. Fulfill their fiduciary obligations without allowing their independence of judgment to be compromised;
- iii. Act fairly and transparently and not participate in any decision-making process on a subject matter in which a conflict of interest exists or is likely to exist such that an independent judgment of the Company's best interest cannot be exercise;
- iv. Avoid conducting business with (a) a relative or (b) a private limited company in which he or his relative is a member or a director (c) a public limited company in which he or his relative holds 2% or more shares or voting right and (d) with a firm in which the relative is a partner, except with the prior approval of the Board;
- v. Avoid having any personal and/ or financial interest in any business dealings concerning the Company;
- vi. Not hold any positions or jobs or engage in other businesses or interests that are prejudicial to the interests of the Company;
- vii. Not exploit for his own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the

- opportunity is disclosed duly in writing to the Board and the Board declines to pursue such opportunity;
- viii. Not seek, accept, or offer or make, directly or indirectly, any gifts, illegal payments, remuneration, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of business.
 - ix. Not commit any offence involving moral turpitude or any act contrary to law or opposed to public policy.
 - x. Observe and guide the Company in maintaining highest degree of Corporate Governance.
 - xi. Stay abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant laws, rules & regulations.

5. DISCLOSURES

- 5.1 Notwithstanding that any instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested officer should be made to the Company. It is also incumbent upon every Officer to make a full disclosure of any interest which the Officer or the Officer's immediate family, which would include parents, spouse and children, may have in a company or firm which is a supplier, customer, distributor of or has other business dealings with the Company.
- 5.2 With respect to related party disclosures, Board Members shall make disclosure to the Board and Senior Management Personnel shall make disclosure to the Compliance Officer under the provisions of Accounting Standard 18.
- 5.3 If an Officer fails to make a disclosure as required herein, and the Company of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the Officer, the Company would take a serious view of the matter and consider suitable disciplinary action against the Officer.

6. OTHER DIRECTORSHIPS

- 6.1 Unless specifically permitted by the Chairman of the Board, Officers shall not serve as director of any other company or as partner of a firm that is engaged in a competing business with the Company. This clause will not applicable to Non-Whole Time Directors.

7. PRESERVATION OF "PRICE SENSITIVE INFORMATION"

Every Officer shall maintain the confidentiality of all "Price Sensitive Information". They shall not pass on such information to any person directly or indirectly by way of making a recommendation or dealing in securities.

8. PUBLIC REPRESENTATION AND CONFIDENTIALITY OF INFORMATION

- 8.1 The Company honours the information requirement of the public and its stakeholders. In all its public appearance with respect to disclosing information in relation to the Company's activities to public constituencies such as the media, the financial community, employees and shareholders, the Company shall be represented only by specifically authorized Officers.

- 8.2 Any information concerning the Company's business, its customers, suppliers, etc. to which the Officers have access or which is possessed by the Officers, must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless (i) authorized by the Board or (ii) the same is part of the public domain at the time of disclosure' or (iii) is required to be disclosed in accordance with applicable laws.

9. REGULATORY COMPLIANCE

Every Officer shall, in his business conduct, comply with all applicable laws, rules and regulations, both in letter and in spirit, in all the territories in which he operates. 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.

10. PROTECTION OF ASSETS

The Officers shall use best endeavors to protect Company's assets and property, ensure its efficient use and shall not derive any personal benefit (including without Limitation through the use of Company's property, assets, information of position) except that which they are lawfully entitled to.

11. AMENDMENTS TO THE CODE

The provisions of this Code can be amended and modified by the Board of Directors of the Company from time to time and all such amendments and modifications shall take effect from the date stated therein. All Officers shall be duly informed of such amendments and modifications.

12. ENFORCEMENT OF CODE OF CONDUCT

Each Officer shall be accountable for fully complying with this Code.

13. CONSEQUENCES OF NON-COMPLIANCE OF THIS CODE

- 13.1 In case of breach of this Code by the Non Whole Time Directors, the same may be considered by the Board for initiating appropriate action, as deemed necessary.
- 13.2 In case of breach of this Code by the Whole Time Directors and Senior Management Personnel, the same shall be liable to disciplinary action by the Company.

EXTRACT OF SECTION 6 OF THE COMPANIES ACT, 1956

Meaning of "relative"

6. A person shall be deemed to be a relative of another if, and only if-
- a. they are members of a Hindu undivided family, or
 - b. they are husband and wife; or
 - c. the one is related to the other in the manner indicated in schedule IA

Schedule IA

LIST OF RELATIVES

1. Father
2. Mother (including step-mother)
3. Son (including step-son)
4. Son's wife
5. Daughter (including step-daughter)
6. Father's father
7. Father's mother
8. Mother's mother
9. Mother's father
10. Son's son
11. Son's son's wife
12. Son's daughter
13. Son's daughter's husband
14. Daughter's husband
15. Daughter's son
16. Daughter's son's wife
17. Daughter's daughter
18. Daughter's daughter's husband
19. Brother (including step-brother)
20. Brother's wife
21. Sister (including step sister)
22. Sister's husband

MODEX INTERNATIONAL SECURITIES LTD

CODE OF CONDUCTS
FOR
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

ANNUAL COMPLIANCE REPORT*

I _____ do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL" during the financial year ending _____.

Signature : _____

Name : _____

Designation : _____

Date : _____

Place : _____

*To be submitted by 30th April each year.

MODEX INTERNATIONAL SECURITIES LTD

CODE OF CONDUCTS
FOR
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ACKNOWLEDGEMENT FORM

I _____ have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ('this Code')". I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature : _____

Name : _____

Designation : _____

Date : _____

Place : _____