

# **CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

- 1.1** This Code of Conduct of RSD Finance Limited ("the Company") is to present guiding principles to be followed by the Company in its decisions and actions with an objective of maintaining very high ethical standards of business conduct. This Code sets down the minimum standards of behavior expected from employees, officers and Directors of RSD Finance Limited and seeks their commitment to the Company's ethical, fair and valued business practices. The purpose of this Code is to deter wrongdoing and promote ethical business conduct.
- 1.2** This Code applies to Members of the Board of Directors & of the Committees of the Board, Key Management Personnel [KMP] /Heads of Functions/ Project Heads of the Company as is presently constituted or may constitute from time to time.

The principles described in this Code shall serve as a baseline or a minimum requirement which must always be followed. Any questions or doubts about this Code may be addressed to the Compliance Officer of the Company.

## **CONDUCT OF BUSINESS, RECORDS, PRACTICES AND ADHERENCE TO LAW**

### **a) Conduct of Business**

The Board Members and the Senior Management team shall conduct the Company's business with honesty, professional integrity and in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders.

The Board Members and the Senior Management team shall not be involved in any activity that would have any adverse effect on the objectives of the Company or against national interest. The corporate objectives to be pursued shall be to sustain the competitive edge of the company and not to indulge in any activity which is detrimental to the society at large.

### **b) Record keeping**

- Records should be maintained to comply with applicable statutory, regulatory or contractual requirements as well as pursuant to prudent business practices. All assets of the Company must be carefully and properly accounted for. The making of false or misleading records or documentation is strictly prohibited. Unrecorded funds or assets should not be maintained.
- The Company complies with all laws and regulations regarding the preservation of records. Records should be retained or destroyed only in accordance with the Company's document retention policies. Any questions about these policies should be directed to the Board of Directors.

The Company prohibits any Officer from altering, destroying, mutilating or concealing a record, document or other object or attempt to do so with the intention to impair its availability for the business operations of the Company.

### **c) Company Funds and Property**

The Executive Directors and Members of Senior Management team shall ensure that any property of the Company under their control shall not be used for personal benefit, sold, loaned, given away or otherwise disposed of, regardless of its condition or value, without proper authorization. Assets of the Company are to be used only for legitimate business purposes of the Company and only by the authorized Officers.

The Officers shall not indulge in any activity which would result in misuse of the Company's assets which include both tangible and intangible assets. The Officers are responsible for ensuring that appropriate measures are taken to assure that Company assets are properly protected.

### **d) Adherence to applicable Law**

All Board Members and Senior Management must comply with applicable laws of the country and the state in all matters and in the case of matters external to India, in a manner as may be directed by the Board or the Compliance Officer. If any law is in conflict with this Code, the law shall prevail.

Any unlawful means of whatever nature to overcome difficulties in the operation or implementation of legislation is expressly prohibited.

## **CONFLICT OF INTEREST**

A conflict of interest situation would be deemed to have arisen, when personal interest of the Directors and Members of Senior Management team is perceived to be inconsistent with or is in conflict with the business interest of the Company. Conflicts may also arise if a Director / Senior Manager or an immediate family member of a Director / Senior Manager is affiliated with or has a personal interest in an entity that is significantly and disproportionately impacted by a decision of the Board of the Company.

One should avoid such conflict of interest with the Company. However, in case such a situation arises, he shall, on becoming aware of the same, make full and true disclosure of all facts and circumstances thereof to the Company. Some of the situations wherein a conflict of interest may be deemed to have arisen are elucidated below:

### **a) Employment /Outside Employment**

The Officers are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company. The Officers shall not accept simultaneous employment with a Company's supplier, customer, competitor or any agency that has business relationship with RSD .

### **b) Directorship/ Management of outside Organization**

It is a conflict of interest to serve as a Director of any Company that competes with the Company.

### **c) Related Party Transactions**

The Directors/ Officers are prohibited from engaging into transaction(s)/arrangement(s) (directly or indirectly through relatives) with companies, bodies corporate or firms, for personal gain, which may conflict with the business interest of the Company.

### **d) Gifts and Gratuities**

Directors and Members of Senior Management team of the Company, including members of their immediate families, shall not request or accept any gift, kick- back, compensation or remuneration of any kind (whether in the form of cash, property, services or payment of expenses) from any organization or individual which has business association or competes with the Company, or from any organization or individual with which the Company does or is likely to do business.

This prohibition shall not apply to routine two-way exchanges of normal business courtesies, which might reasonably be expected to be exchanged in the ordinary course of business. The Directors and Members of Senior Management team shall not accept any particular gift or entertainment of extravagant nature which in the eyes of a disinterested party may seem to be extravagant enough to affect their judgment.

In case of an uncertainty whether a conflict exists, the matter should be discussed with the Compliance Officer before the transaction is undertaken by the Company or the Officer.

## **CONFIDENTIAL INFORMATION**

### **a) Confidentiality**

Information regarding the Company's activities, strategies, financials, customers, vendors and business is proprietary. Confidential information includes all non-public information. The Company believes that its confidential proprietary information and data are important corporate assets in the operation of its business and prohibits the use or disclosure of this information, except when disclosure is authorized or legally mandated. No Officer shall provide any information either formally or informally, to the press or any other public media or to a third party, unless specially authorized or by operation of law.

### **b) Securities Trading Policy**

The Board Members and the Senior Management team shall comply with the Code for prevention of Insider Trading in dealing with securities of the Company.

As the Company's securities are listed, the Company is committed to comply with securities laws in all jurisdiction in which its securities are listed.

All Officers must observe the Company's "Insider Trading Policy." The Company is committed in complying with SEBI (Insider Trading) Regulations and other applicable laws. In conjunction with the legal prohibition on dealing in the Company's securities when in possession of unpublished price sensitive information, the employees are prohibited to trade in Company's securities during the non- transaction period. All Officers should follow the pre-clearance procedures for trading and trade only during the transactional period.

## **COMPLIANCE:**

### **a) Responsibility for Compliance**

Upon adoption of this Code, all Officers shall ensure the compliance with the standards set forth in this Code in discharging their duties. Breaches of this Code of Conduct may lead to disciplinary action. Disciplinary actions may include immediate termination of employment at the sole discretion of the Company.

### **b) Action in case of violations**

Employees and directors who violate this Code may be subject to disciplinary action, up to and including discharge. Senior Management employees and Directors who have knowledge of a violation and fail to move promptly to report or correct it and Senior Management employees and Directors who direct or approve violations may also be subject to disciplinary action up to and including discharge.

Furthermore, violations of some provisions of this Code are illegal and may subject the employee or Director to civil and criminal liability.

### **c) Queries**

Any Executive Director or Members of Senior Management team having any query regarding the best course of action in a particular situation should promptly contact the Compliance Officer for a suitable counseling.

## **Amendment to the Code**

We are committed to continuously reviewing and updating our policies and procedures to meet the requirements of any relevant statute or the business interest of the Company. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code shall be minuted in a meeting of the Company's Board of Directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of amendment or waiver.