

CODE OF CONDUCT FOR DIRECTORS & SENIOR EXECUTIVES

The Board has laid down a code of conduct for Directors and senior executives for promoting sound corporate practices and ethical conduct on the part of all concerned

PREAMBLE

The Company's reputation depends on the conduct of its Directors and Senior Executives who must maintain highest ethical standards. A Code of Conduct is a visible guideline of behavior. The Code of Conduct for Board Members and Senior Management of a company helps to maintain a corporate culture that promotes highest standard of ethical conduct on the part of the corporation and its leaders. An effective Code of Conduct requires that every Board Members and Senior Management personnel exhibit the highest standards of professionalism, honesty and integrity along with impartiality, fairness and equity.

Pursuant to Clause 49 of the Listing Agreement, a model Code of Conduct has been designed to put values into practice. This Code of Conduct isn't merely a set of rules for specific circumstances but an intentionally expansive statement of principles meant to inform all the actions of each employee. The Board of Directors and senior management executives of the Company should make an effort to study these principles and do their best to apply them to any and all circumstances which may arise. The core message is simple i.e. striving towards the highest possible standard of ethical business conduct.

All Senior Management employees should sign the acknowledgement form at the end of this Code and return the form to the Personnel Department/HO indicating that they have received, read and understood, and agreed to comply with the Code. The signed acknowledgement form will be filed in each Officer's personal file.

This Code of Conduct applies to:

- »All the Directors of **Naysaa Securities Limited (NSL)**; and
- »All the Senior Management employees of the Company i.e. who are of the rank of General Manager and above including all functional heads who have the opportunity to materially influence the integrity, strategy and operations of the business and financial performance of the Company.

In terms of the Listing Agreement all the Board Members and the Senior Management employees should affirm compliance with the Code on an annual basis. The Annual report of the Company shall contain a declaration to this effect and signed by the Chairman-cum-Managing Director.

OBJECTIVE

The Company's reputation depends on the conduct of its Directors, Senior Executives and its employees. Every employee who is associated with the Company must play a part in maintaining NSL's reputation for the highest ethical standards.

The purpose of this Code of Conduct is apart from meeting the requirement of Listing Agreement with the Stock Exchanges is to:

- »Articulate the high standards of honesty, integrity, ethical and law abiding behavior expected of Directors and Senior Executives;
- »Encourage the observance of those standards to protect and promote the interests of shareholders and other stakeholders (including employees, customers, suppliers, creditors and society at large);
- »Guide Directors and Senior Executives as to the practices thought necessary to maintain confidence in the Company's integrity; and
- »set out the responsibility and accountability of Directors and Senior Executives to report and investigate any reported violations of this code or unethical or unlawful behaviour.

It is impossible to spell out every possible ethical scenario. The Directors and Senior Executives should rely on their discretion, judgment and skill expected from a reasonably prudent person under comparable circumstances.

This Code of Conduct will provide Directors and Senior Management of NSL only general guidance on the standards of conduct expected of them including guidelines on conflict of interests.

SALIENT FEATURES

This Code of Conduct lays down the following guidance for observance by Directors and Senior Management personnel of NSL:

Honesty and integrity

The Company expects each Director and Senior Executive to :

(a) Observe the highest standards of honesty, integrity and ethical and law-abiding behaviour when:

(i) Performing their duties; and

(ii) Dealing with officers, employees, investors, creditors, customers, suppliers, auditors, lawyers, other advisers of the Company and Government Authorities; and

(b) Foster a culture of honesty, integrity, ethical and law-abiding behaviour among other officers and employees.

Conflicts of Interest or Duty

2.1 Each Director and Senior Executive must be aware of potential conflicts between (directly or indirectly):

- (a) On the one hand:
 - (i) The interests of the Company; or
 - (ii) Their duties to the Company; and
- (b) On the other hand :
 - (i) Their personal or external business interests; or
 - (ii) Their duties to any third party.

2.2 Each Director and Senior Executive must avoid placing himself or herself in a position that may lead to:

- (a) An actual or a potential conflict of interest or duty; or
- (b) A reasonable perception of an actual or potential conflict of interest or duty.

2.3 Each Director and Senior Executive must:

- (a) Fully and frankly inform the Company of any personal or external business interest that may lead to:
 - (i) An actual or potential conflict of interest or duty; or
 - (ii) A reasonable perception of an actual or a potential conflict of interest of duty; and
- (b) Obtain and follow independent legal advice to avoid or resolve any actual, potential or perceived conflict of interest or duty.

2.4 Each Director must:

- (a) Not participate when the Board considers any matter in which the Director has or may have a conflict of interest or duty; and
- (b) Comply with the Companies Act, 1956 and Listing Agreement provisions in relation to the disclosing material personal interests.

2.5 Each Director must inform the Board of:

- (a) Any existing Directorship or other office held by the Director in another entity; and
- (b) Any proposed appointment as a Director or Senior Executive of another entity.

2.6 Each Director and Senior Executive must not exploit for their own personal gain the opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company.

Compliance with Laws, Regulations, Policies and Procedures

Each Director and Senior Executive must :

- (a) Comply with the letter and spirit of any applicable law, rule or regulation;
- (b) Comply with the protocols, policies and procedures of the Company;
- (c) Encourage other officers and employees to do the same.

Confidentiality

a) Any information acquired by a Director or Senior Executive while performing their duties which is confidential in nature, must not be disclosed except where that disclosure is :

- (i) Authorised by the Board; or
- (ii) Required by law or a regulatory body.

b) The existence and details of any Board and management information, discussions, and decisions that are not publicly known and have not been approved by the Board for public release, are confidential information of the Company and subject to paragraph 4.1.

c) Each Director's and Senior Executive's obligations of confidentiality continue even after he or she leaves the Company.

Disclosures

a) NSL's policy is to provide full, fair, accurate and timely disclosure of required information in reports and documents that are filed with or submitted to any outside agency and in its other public communications.

b) A Director or Senior Executive must ensure that Company's disclosure controls and procedures, and internal controls for financial reporting are properly complied with.

Fair Dealing

a) The Company expects each Director and Senior Executive to :

- (i) deal fairly with employees, investors, customers, suppliers, competitors, auditors, lawyers, creditors or other advisers of the Company; and
- (ii) encourage other employees and officers to do the same.

b) A Director or Senior Executive must not take unfair advantage of any employee, customer, supplier, competitor, auditor, lawyer or other adviser of the Company, creditor through illegal

conduct, manipulation, undue influence, concealment, abuse of confidential information, misrepresentation of material facts, or any other unfair- dealing practice.

c) A Director or Senior Executive must promote a respectful work place, culture that is free of harassment, bias and discrimination of any kind.

Protection and proper use of assets

a) The Company expects each Director and Senior Executive to use all reasonable endeavours to protect any Company asset and to ensure its efficient use.

b) A Director or Senior Executive may only use a Company asset for legitimate business purposes or other purposes approved by the Board.

c) Each Director and Senior Executive must immediately report any suspected fraud or theft of a Company asset for investigation.

Violations of the Code

a) Each Director and Senior Executive is required to help enforce this Code as a part of his/her job and also of his or her ethical responsibility.

b) Each Director and Senior Executive shall be alert to possible violations and report the same to the Board of the Company.

c) The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company, after giving him a reasonable opportunity of being heard. Where laws have been violated, the Company will cooperate fully with the appropriate authorities and regulators.

Waivers and amendments of the Code

a) This Code is subject to modification at any time since NSL is committed to continuously reviewing and updating its policies and procedures in terms of extant guidelines and procedures laid down by different Statutory Authorities.

b) Any amendment/inclusion or waiver of any provision of this Code shall be approved by the Company's Board of Directors or a Committee of Directors, constituted for the purpose 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 the amendment or waiver.

Responsibility

Each Director and Senior Executive must adhere to the standards described in this Code of Conduct, since NSL is determined to behave and to be perceived as an ethical organization

Clarification on Code of Conduct

Any Director and Senior Executive requiring any clarification regarding this Code of Conduct may contact Company Secretary.

NAYSAA SEURITIES LIMITED

Acknowledgment of receipt of Code of Conduct for all Directors and Senior Executives of the Company

I have received and read the Company’s Code of Conduct for the Directors and Senior Executives (the “Code”). I understand the standards and policies contained in the Code and agree to adhere to the standards described in the Code and comply with the Code at all times.

If I have questions concerning the meaning or application of the Code, I understand I can consult the Company Secretary Department.

Signature

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Name

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Date

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Appendix-II

NAYSAA SECURITIES LIMITED

Compliance of the Code of Conduct by all Directors and Senior Executives of the Company
(In respect of financial year)

I, _____, Director and Senior Executive of Naysaa Securities Limited (NSL) hereby confirm that the provisions of the Code of Conduct, formulated by the Board of NSL for Directors and Senior Executives of the Company, have been duly complied by me.

Signature

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Name

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Date

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Note:

1This confirmation is to be signed and returned by Functional Directors and Senior Executives of the Company to the Personnel Department for filing in their respective personal files.

2Non-executive Directors of the Company may kindly sign and return the confirmation to the Company Secretary for record

3The confirmation regarding compliance of the Code is to be given on annual basis by all concerned within 30 days of the conclusion of the financial year.