

Code of Conduct

*(as adopted by the Board of Reliance MediaWorks Limited)

Introduction

Every significant management decision has ethical value dimensions. Managing ethics is particularly relevant for Reliance - ADAG Companies today because it is critical to understand and manage highly diverse values in the workplace. Attention to business ethics is critical during times of fundamental change - times much like those faced now by businesses like ours. In times of such fundamental change, values that were previously taken for granted are now strongly questioned. Many of these values are no longer followed.

Consequently, there is no clear compass to guide us through complex dilemmas about what is right or wrong.

To that end, Reliance - ADAG Companies' Values and Commitments are presented here. These should be used to guide our actions in business conduct.

Code of Conduct

(As adopted by the Company)

Reliance - Anil Dhirubhai Ambani Group of Companies continually reviews corporate governance best practices to ensure that they reflect global developments. It takes feedback into account, in its periodic reviews of the guidelines to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and other stakeholders.

The Code of Conduct(s) and Business Policies adopted by the Reliance - Anil Dhirubhai Ambani Group (ADAG) Companies are given hereunder:

1. Values and Commitments	**
2. Code of Ethics	**
3. Business Policies	**
4. Ethics Management	**
5. Prevention of Sexual Harassment	**
6. Policy on Insider Trading	**
7. Corporate Governance	**
8. Forms relating to reporting under Prevention of Insider Trading	**

1. Values and Commitments

Ethics and Values at Reliance - ADAG Companies

Background

At Reliance - ADAG Companies, the issue of ethics is simple: it is a simple process that involves defining what is right or wrong, and then doing the right thing. Ethics Management at Reliance - ADAG Companies is about values and associated behaviors. It is a process of defining values and ensuring that corporate and individual employee behaviors epitomize those values.

We at Reliance - ADAG Companies believe that any business conduct can be ethical only when it rests on the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Caring. Strong commitments to these high values have long been building principles for Reliance - ADAG Companies.

These values are not to be lost sight of by anyone at Reliance - ADAG Companies under any circumstances irrespective of the goals that are intended to be achieved. To us, means are as important as the ends.

Though the deeper significance of these values for us can not be captured in words, a brief description of what we really feel about these virtues is outlined below:

Honesty

We are committed to be truthful in all our actions. We strive to be honest and forthright with one another and with all our stakeholders.

Integrity

Reliance - ADAG Companies insists on honesty, integrity and fairness in all aspects of its business and expects the same in its relationships with all those with whom it does business.

There exists a clear vision and picture of integrity throughout Reliance - ADAG Companies. Our reward and promotion systems are aligned with this vision of integrity.

Upholding the Reliance - ADAG Companies reputation is paramount. We are judged by how we act. Our reputation will be upheld if we act with integrity in all our dealings, even at a personal level, and we always do what we think is right at all times. We say what we mean, and deliver what we promise, and promise to stand for what is right. We always honour all our commitments. We stand for loyalty and trustworthiness.

Respect

We are committed to treat everyone fairly and with respect and dignity. We appreciate and value the skills, strengths, and perspectives of our diverse workforce. We request the uniqueness of each employee. We believe that each employee makes a meaningful contribution in Reliance - ADAG Companies' success.

Fairness

Reliance - ADAG Companies is firmly committed to fairness and objectivity in all its action and interactions. Justice and fairness imbibed in the Organization's fabric ensure procedural fairness, impartiality and consistency in Reliance - ADAG Companies operations.

Purposefulness

Reliance - ADAG Companies sees its activities in terms of higher purposes and ideals. This purposefulness is a way of operating which ties Reliance - ADAG Companies to its environment at a mutually beneficial dimension.

Trust

We endeavour to foster a participatory work environment where trust and confidence between team members is spontaneous. We always encourage teamwork with open, candid and speedy communication.

Responsibility

Our employees are expected to demonstrate highest levels of personal responsibility and continually affirm that they are responsible to themselves for the pursuit of excellence. At Reliance – ADAG Companies accountability is individual rather than collective. Our employees are committed and enthusiastic to assume responsibility for actions for the organisation.

Citizenship

We are a fiercely patriotic company, fully committed to achieving and participating in every conceivable way in the progress and integrity of India. We are committed to obey all the laws of India and the countries in which we do business and to do our part to make the communities in which we live better.

Caring

Compassion, sharing and kindness are values that we try to inculcate in our decision making process to achieve fairness. It is imperative that each one of us gets intensely driven from the heart towards upholding of these values in our day to day conduct. This initiative will further stimulate the creation and maintenance of a highly ethical work environment.

Commitments

Background

A firm belief that every Reliance - ADAG Companies team member holds is that the other person's interests count as much as his / her own. It is not surprising that Reliance - ADAG Companies has always been able to strike a mutually profitable equilibrium with ease while interacting with diverse internal and external stakeholder groups.

Reliance - ADAG Companies strives to make the good of these diverse stakeholder groups as part of its good.

Reliance - ADAG Companies recognizes that maintaining the trust and confidence of all its stakeholders is crucial to its continued growth and success. We are aware that a company must be an integral part of the society in which it operates: that it must fulfill a number of different expectations - financial, social and environmental: and that there is no substitute to being right.

We seek success by being sensitive and alive to the interests and concerns of others in the society, and by working constructively with them to find solutions of mutual benefit.

In pursuit of these values outlined above, we are committed to the ethical treatment of all our stakeholders.

Commitment to Stakeholders

In all our relationships we demonstrate our steadfast commitment to all our stakeholders:

Our employees

Reliance - ADAG Companies recognize that its commercial success depends on the full commitment of all employees. We are committed to respect the human rights of our employees. We strive to treat our employees with honesty, just management, due dignity and fairness. We are committed to provide our employees with a good, safe and healthy environment and competitive terms and conditions of service.

Reliance - ADAG Companies promotes the development and best use of human talent. It encourages the involvement of employees in the planning, direction and fair appraisal of their work. The employees are also encouraged to participate in the application of these ethics and values within the company.

Our customers

We are committed to produce reliable, world-class quality products and services, delivered on time, at a fair price. Reliance - ADAG Companies strives to win and maintain customers by developing and providing products and services which offer value in terms of price, quality, safety and environmental impact, which are supported by the requisite technological, environmental and commercial expertise.

Our environment

Reliance - ADAG Companies are committed to act as a concerned and responsible community participant reflecting all aspects of good corporate citizenship. Reliance - ADAG Companies are committed to achieving the global standards of health, safety and environment.

Reliance - ADAG Companies work with its community by volunteering and supporting education, medical welfare and other worthy causes that lead to sustainable development.

Our shareholders

We are committed to pursuing sound growth and earnings objectives and to exercising prudence in the use of our assets and resources. Enhancing shareholder value remains the prime driving force of Reliance - ADAG Companies' business and financial decisions. We will ensure our success by satisfying our customers and increasing shareholder value.

Our lenders and other investors

We are committed to truthful disclosure of all material facts and the regular and timely payment of all our debt service obligations.

Our Suppliers and other service providers

We are committed to fair competition and the sense of responsibility required for a good customer.

The Government

Reliance - ADAG Companies are fiercely patriotic company and is enthused and proud to be a homegrown enterprise. We are committed to the payment of all-applicable taxes and duties and adherence to all applicable laws and regulations.

2. Code of ethics

Background

Reliance - ADAG Companies' Code of Ethics is in alignment with its values and commitments.

The essence of this code is that each employee should conduct the Company's business in a way that upholds its values and commitments.

This code expects every employee 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 one of Reliance - ADAG Companies' employee to ensure that all of us are aware of these values, commitments, and procedures, and behave in accordance with the spirit as well as the letter of this code.

Reliance - ADAG Companies recognize that it is vital that the behaviour of its employees matches the high intentions and values. Hence, adherence to all the elements of this code and the accompanying principles and procedures is necessary. The principles and procedures in this Code of Ethics apply to all material transactions, large or small, and describe the conduct expected from every Reliance – ADAG Companies' employee.

Issues dealt with by Reliance - ADAG Companies' Code of Ethics

Code of Ethics contains the policy on the following:

- I. Conflict of Interest
- II. Payments and Gifting
- III. Receipt of Gifts
- IV. Purchases through suppliers and other service providers
- V. Regarding full-time consultants, agents, representatives and others
- VI. Political Contributions

Policy on Conflict of Interest

1. What is a 'Conflict of Interest'?

A conflict of interest may exist when an employee is involved in an activity or has a personal (direct or indirect, by himself or through any relative) interest that in the opinion of the company interferes with the employee's objectivity in performing company's duties and responsibilities.

An actual conflict of interest need not be present. Also, a direct loss or disadvantage to the company need not be present / evident. Activities that create the appearance of a conflict of interest also are automatically deemed to be covered by this policy in order not to reflect negatively on the reputation of Reliance - ADAG Companies and / or its employees.

Any 'indirect' interest, held by an employee, in any property, proprietorship, concern, partnership, investment, arrangement, agreement or transaction that creates or can create direct or indirect personal advantage or gains can lead to a conflict of interest.

A conflict of interest can arise when an employee is involved in a transaction / arrangement with any person acting on his / her behalf or at his / her behest for the employee's direct or indirect personal advantage or gains. Such activities, arrangements, transactions, agreements are not allowed and must be discontinued by the employees immediately, failing which the company will commence the contract termination process and disciplinary action.

2. What is the essence of this code on conflict of interest?

Any activity or personal (direct or indirect) interest of the employee, including those of the employee's relatives, that leads to or can lead to a conflict of interest, is prohibited. Employees are expected to provide truthful, accurate and complete information about certain facts, transactions, and relationships that may have bearing on issues related to conflicts of interests. They are expected to provide details about these facts, transactions and relationships irrespective of their assessment of whether a conflict of interest exists or not. Disclosure forms seeking such information will be made available to employees for submitting it in a confidential manner to the Ethics Office.

This is a key element of the plan to implement and enforce the policy on conflict of interest as it promotes self-regulation and is built on the pillars of trust and self responsibility. Employees are expected to identify conflicts of interest that involve them and are further expected to discontinue activities that result in or can result in conflicts of interest.

3. What should employees do to avoid a conflict of interest?

Employees should steer clear of any situation, which involves or may involve a conflict between their personal interest and the interest of the company. Employees should 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. Employees dealing with customers, suppliers, contractors, competitors or any person doing or seeking to do business with the company are to act in the best interest of the company to exclusion of considerations of direct or indirect personal preference or advantage.

Employees are obliged to place Reliance - ADAG Companies' interest in any business transactions ahead of any direct or indirect personal interest or personal gain to the individual employee or to the employee's spouse, family member, friend or other individual.

An employee should not have an outside employment or be involved in an outside activity which is in direct / indirect conflict with the official duties of the employee.

Employees are also prohibited from using their position / title / authority associated with their office or coerces or induces a benefit for themselves or others.

Any declaration by an employee which has any of the above and therefore causes conflict of interest shall be deemed as an act of misconduct and he /

she may face disciplinary action. Certain presumptions will arise against employees acting in contravention with these requirements.

4. What actions are to be avoided by the employees at all times?

Any person to whom this policy is made applicable cannot undertake any of the following activities:

- To undertake full-time employment or significant and active managerial or decision-making role in any business enterprise other than Reliance - ADAG Companies.
- Bar on setting up, operating, advising, representing, or getting involved in any manner whatsoever with business enterprise that competes with any of Reliance - ADAG Companies in any of our businesses.
- Holding an investment interest (either directly or indirectly through any relative*) or any kind of financial involvement or acting as an officer, member, director, partner, consultant, representative, agent, advisor, broker, intermediary or employee or in any other capacity in any outside business enterprise would not be allowed if the outside interest does or proposes to do business with any of Reliance - ADAG Companies (as a supplier, customer, consultant, advisor, agent, broker, intermediary, representative or in any other way).

(*Relatives include the following: Spouse, Father, Mother, Sons, Son's Wife, Daughters, Daughters' Husband, Father's father, Father's Mother, Mother's Father, Mother's Mother, Son's son, Son's Son's wife, Son's Daughter, Son's Daughter's Husband, Daughter's son, Daughter's Son's wife, Daughter's Daughter, Daughter's Daughter's Husband, Brother (including step brother) Brother's Wife, Sister (including Step - Sister) Sister's Husband, Members of HUF)

- Not to 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 ADAG Companies.
- Employees should not use their corporate official title or position to promote a book, seminar, or any other similar activity. All employees may accept honoraria for an appearance, speech or article, provided that the activity does not relate to the employee's official duties.
- An employee cannot be involved or engaged in any other activity that could create the appearance of a conflict of interest and thereby impair Reliance - ADAG Companies' reputation.

5. What are the exceptions to the above policy?

An employee can accept an office in a non-profit organization if he obtains prior approval from the management.

An employee can accept an office or hold an investment in any outside entity (which is doing or proposes to do business with any of Reliance - ADAG Companies e.g. Joint Venture) if he has obtained approval from the

management and such investment / office is held on behalf of or as a nominee of the Company.

Policy on Payments and Gifting

1. What are the general principles that employees should bear in mind while making any payments, giving gifts on behalf of Reliance - ADAG Companies?

Gifts, payments, business courtesies, favours and entertainment may be given to others at company expense only if they meet all of the following criteria:

- They are consistent with customary business practices
- They are not in contravention of applicable law and
- Public disclosure of the facts will not create the appearance of impropriety or embarrass either the company or the employee

Permissible exceptions include:

Offering Reliance - ADAG Companies advertising or promotional items such as a calendar, or similar item displaying the Company logo and name, and providing modest hospitality connection with business activities.

The ethics office will notify from time to time a list of gifts is permissible. An employee should never use personal funds or resources to do something that cannot be done with Reliance – ADAG Companies' resources.

2. What care should be taken while making payments or giving gifts on behalf of the Company?

If any doubt exists as to the impact an offer of a business courtesy could have on the reputation of the company or of those involved, the business courtesy should not be offered.

3. What are the specific principles pertaining to gifts given to customers?

Employees may offer business courtesies to customers, provided the following four conditions are all met:

- The business courtesy does not violate any law or regulation or known policy of the customer.
- The business courtesy is customary and consistent with the business practices of the marketplace in which it is offered.
- Approval at an appropriate level is obtained.
- The business courtesy is properly reflected on the books and records of the Company.

4. What are the specific principles pertaining to payments made or allowances given to customers?

Commissions, rebates, discounts, credits, waivers, and allowances should be paid or granted only by the company on whose books the related sale is recorded, and such payments should:

- Bear a reasonable relationship to the value of goods delivered or services rendered.
- Be by cheque or bank transfer or in kind and note to individual officers, employees or agents of such entity or a related business entity: and
- Be supported by documentation that is complete and that clearly defines the nature and purpose of the transaction. Agreements for the company to pay commissions, rebates, credits, waivers, discounts or allowances should be in writing, when this is not feasible, the payment arrangements should be supported by an explanatory memorandum for file prepared by the approving business head.

5. What are the exceptions to the above policy?

The intent of the above policy is to avoid illegal or unethical payments, or establishing an environment where these may inadvertently be made. However, the business world is complex and there may be unusual situations in apparent conflict with one or more provisions of the above policy. Some situations may warrant exception if they form acceptable business practice. In all cases there must be no falsification, misrepresentation or deliberate over-billing relocated in any document involved in the transaction. This includes suppression or omission of documents or of information in documents, or deliberate misdirection of documents. Commission, rebates, credits, waivers, discounts or allowances that are paid or granted by the Company in conformity with normal standard procedures are deemed to have been established in writing and need not be documented in a written agreement or memorandum for file.

Entertainment or an exchange of gifts purchased at employee 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 procedure. However, when both a business and personal relationship exist, management should review the circumstances. In such cases, all those involved must be sensitive to and avoid any activity or situation that could create an actual or apparent conflict of interest.

6. What are the specific principles pertaining to payments made or commission paid in connection with purchases?

All the terms and conditions pertaining to payments made or commissions paid in connection with the company's purchases of goods and services should:

- Be supported by documentation that is complete and that clearly defines the nature and purpose of the transaction;
- Be consistent with trade practices and in line with applicable laws;
- Bear a reasonable relationship to the value of goods delivered or service rendered; and
- Be by cheque or bank transfer or in kind and not to individual officers, employees or agents of such entity or a related business entity.

Policy on Receipt of Gifts

1. What are the general principles that any of the Reliance - ADAG Companies' employees are expected to bear in mind before accepting any gifts or business courtesies?

All business courtesies offered to and accepted by Reliance - ADAG Companies' employees are courtesies that belong to Reliance - ADAG Companies. Employees do not have a right to keep a business courtesy for personal use. When offered a business courtesy, employees should determine whether it is appropriate to accept the courtesy on behalf of Reliance - ADAG Companies after considering why it is being extended and possible repercussions on acceptance. Acceptance and disposal of any gift / business courtesy has to be in line with the requirements of this code.

2. What gifts or business courtesies can Reliance - ADAG Companies employees accept?

An employee may keep a business courtesy

- When the courtesy is usually associated with customary business practices.
- Promotes successful working relationships and goodwill with persons or firms with whom Reliance - ADAG Companies maintains or may establish a business relationship. Such courtesies include infrequent business meals and entertainment that are shared with the person who has offered to pay for the meal or entertainment. However, employees should use good judgments and decline invitation for meals and entertainment that are inappropriately lavish or excessive and are of such nature or magnitude that cannot be reciprocated.
- 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 actual conflict of interest or divided loyalty, such as placing the interests of the person or firm that offered the courtesy above the interests of Reliance - ADAG Companies, including the Company's interest in conducting business fairly and impartially; and
- Does not create the appearance of an improper attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.
- Novelty, advertising, or promotional items of nominal value, such as calendars, pens, and mugs may generally be retained. When local customs or practices make it inappropriate to decline the business courtesy at the time it is offered, employees should accept the courtesy and follow the guidelines for disposition.

Policy on purchases through suppliers and other service providers

1. What are the general principles of the purchase policy?

Purchase decision must be made purely on the basis of quality, service, price, delivery, best value, or other similar factors. Extraneous or personal interest / advantage should never be the criteria for arriving at purchase decisions. Objective, fair, transparent and responsible criteria must be used while evaluating, passing or rejecting the quality of the goods / services supplied. If such criteria are being followed, the employees should not have any apprehension and fears about taking any procurement decisions. Care must be taken to avoid actual / potential conflicts of interest and the appearance of partiality regarding all business transactions with suppliers and other service providers.

2. What actions should be avoided by Reliance - ADAG Companies employees while dealing with suppliers and other service providers?

Employees may not solicit gifts or courtesies from suppliers / other service providers. However, under certain limited circumstances employees may accept gifts or business courtesies from suppliers / other service providers. Employees may receive business courtesies from suppliers / other service providers only in accordance with Policy outlined in this code. Business and personal activities must be kept separate. Having both a personal and business involvement with a supplier or potential supplier / other service providers may create a conflict of interest or appearance of partiality. Please refer to the Policy on Conflict of Interest given in this code.

3. What additional responsibilities are levied on Reliance - ADAG Companies' employees under this Code?

A supplier's or potential supplier's proprietary information and resources must be protected by Reliance - ADAG Companies employees in accordance with Inside Information policy as outlined elsewhere in this code. Employees are responsible for complying with supplier -imposed limitations governing use of Supplier information, including such items as documents and computer software. Reliance - ADAG Companies proprietary or sensitive information must not be disclosed to a supplier or potential supplier unless disclosure is authorized and in accordance with Inside Information policy as outlined elsewhere in this code.

All company employees, contract labour, consultants, representatives, agents and others acting for the company are prohibited from the following actions:

- Soliciting, accepting, or attempting to accept any kickback.
- Including, directly or indirectly, the amount of any kickback in the price charged under a contract, either as prime contractor or sub-contractor. The term 'kickback' includes any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind whether in cash or kind that is provided directly or indirectly to anyone for the purpose of inappropriately or improperly obtaining or rewarding favourable

treatment. It should be noted that any action that even appears to be in violation of the above principles would be severely dealt with.

4. What are the responsibilities that are levied on the suppliers / other service providers as per this policy?

Suppliers / other service providers are required to ensure that their actions in no way contravene any provisions of Reliance - ADAG Companies' Business Ethics Policies. They must take special care in respect of the specific requirements of the policy on conflict of interest, payments, gifts and receipt of gifts. These specific requirements will be incorporated as additional terms of all existing and new contracts with all suppliers and vendors. The over-reaching principle that the suppliers ought to keep in mind is that their actions should not result in any direct or indirect personal advantage or gains for any Reliance - ADAG Companies employee or his / her relatives. It is not relevant for the purposes of this policy whether such actions were performed at the behest of the Reliance - ADAG Companies employee or were suo moto actions on the part of the supplier.

Any supplier or vendor found to be violating any of these requirements will subject himself to the possibility of termination of his contract and the payment of liquidated damages.

Policy regarding full-time consultants, agents, and representatives and others.

1. What are the general principles regarding consultants, agents, and representatives?

We are committed to maintain the integrity of our full time consultants, advisors, agents, intermediaries, contractors, brokers, and representatives. Business integrity is a key criteria for the selection and retention of those who represent Reliance - ADAG Companies. Appointment of consultants, advisors, agents, intermediaries, brokers, and representatives must not result in the creation of a conflict of interest. For example, when a relative of an employee acts as a consultant, advisor, agent, intermediary, broker or a representative of Reliance - ADAG Companies, a conflict of interest may arise. Such instances should be discontinued. In this context, reference should be made to the company policy on Conflicts of Interest. Individuals should never be appointed as consultants, advisors, agents, intermediaries, brokers, or representatives with a view to circumvent Reliance - ADAG Companies' ethics and values. Full-time agents, representatives, or consultants who expressly represent or propose to represent Reliance - ADAG Companies' must certify their willingness to comply with the Company's policies and procedures.

Policy on Political contributions

1. What are the general principles regarding political contributions?

Employees shall not make any contribution of company's fund to any political party or committee, domestic or foreign, or to any candidate for or holder of any office of any government -National, State, local or foreign unless it is legally permissible and is appropriately authorized. Reliance – ADAG Companies employees should not make illegal political contributions, either directly or indirectly, through the use of expense accounts or through payments to third parties or on their own account.

CODE OF CONDUCT for DIRECTORS AND SENIOR MANAGEMENT

Directors have a duty to manage or supervise the management of the business and affairs. In carrying out this duty it expects directors to act honestly and in good faith with a view to the best interests. The Board of Directors has committed itself to maintaining a high standard of Corporate Governance which incorporates as its basis principles of good conduct and high ethical behavior.

To discharge their duties the Directors have adopted the following principles for business conduct and ethical behavior.

- act in the best interests of, and fulfill their fiduciary obligations to the Company;
- act honestly, fairly, ethically and with integrity;
- conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- will deal fairly with all stakeholders;
- comply with all applicable laws, rules and regulations;
- act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- not use the Company's property or position for personal gain;
- will not accept from or give to stakeholders gifts or other benefits not customary in normal social intercourse;
- not use any information or opportunity received by them in their capacity as Directors or senior management in a manner that would be detrimental to the Company's interests;
- act in a manner to enhance and maintain the reputation of the Company;
- disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have such an interest;
- abstain from discussion, voting or otherwise influencing a decision on any matters that may come before the board in which they may have a conflict or potential conflict of interest
- respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors or senior management, except when authorized or legally required to disclose such information;
- not use confidential information acquired in the course of their service as Directors or senior management for their personal advantage or for the advantage of any other entity;
- help create and maintain a culture of high ethical standards and commitment to compliance

Directors Training Programme

The Company has designed the Directors training programme to understand the rewards and risks of being a Director, Choose the right financial structure for the

business, Get the strategy right and predict the impact of the decisions and Measure the success.

This training covers the roles and responsibilities of the director, and focuses on the levels of care that are expected from someone occupying such a position. The director training course includes a comprehensive range of topics including:

MODULE 1

- Personal Liability
- Companies Act, 1956
- Defining the nature of Directors and their role
- Defining the term
- Appointment
- Appraisal
- A Director's exposure
- The variety of types of Directors and their responsibilities
- Director's expectations
- Appointment and status
- Eligibility for appointment
- Appointment of a Director
- Notification of interests

MODULE 2 BOARD MEETINGS - MAKING THEM EFFECTIVE

- Procedures for effective board meetings
- Determining the aims of board meetings
- Dynamic agendas
- Timetable and aims
- Interested parties
- The effective meeting
- The chairman and secretary
- Key players
- General responsibilities of the Chairman
- Progressing the meeting
- The role of the Company Secretary
- Before and at board meetings
- Preparation for and administration of board meetings
- Preparing effective reports
- Planning
- Appointing subcommittees
- Board meeting minutes

MODULE 3 AUDITORS, AGM'S AND SHAREHOLDERS

- Access, authorities and auditors
- General requirements to create and protect records
- Controlling exercise of authority

- Theft's vicious circle
- Director's loans
- Enhanced penalties
- Shareholders' meetings
- The Annual General Meeting
- Briefing the Chairman
- Minutes
- Extraordinary General Meetings
- Resolutions
- Application for Stock Exchange listing
- Notification of major interests
- Corporate governance
- Payment of directors
- Shareholder communication
- The Annual Report
- Filing the document and range of content
- A timetable for action
- The Chairman's statement
- Corporate social responsibility
- Human Capital Management
- Aims and purpose

MODULE 4 LEADERSHIP, MANAGEMENT AND CORPORATE GOVERNANCE

- Leadership and management
- Maximising the human resource
- Communication principles
- Briefings
- Corporate governance - a checklist for boards
- Good Governance Code
- Relationships
- Working time/personal time balance
- The public image
- Who do we serve?
- Devising and using media releases
- Media interviews
- Communication aspects of crisis reaction

MODULE 5 CORPORATE RESPONSIBILITY - TRAPS AND PITFALLS

- Liabilities and protections
- Our litigious society
- Personal liability for statements
- Safety obligations
- Employment obligations
- Commercial requirements

- The Insolvency Act
- Operating in - and saving - the environment
- The requirement to take risk
- Contingency planning
- Risk prevention planning
- Contingency plan
- Credit risk
- Safety
- Stress
- Behaviour and approach
- Confidentiality undertaking
- Non-competition clauses
- Electronic transmissions
- Controlling other risks
- Insider dealing rules
- Share trading

3. Business policies

- I. Fair Market Practices
- II. Inside Information
- III. Financial, Records and Accounting integrity
- IV. External Communication
- V. Work Ethics
- VI. Personal Conduct
- VII. Health safety environment
- VIII. Quality

Policy on Fair Market Practices

1. What is the essence of the fair market practices adopted by any of ADAG Companies?

Reliance - ADAG Companies believes that the welfare of consumers is best served by economic competition. We believe in and strive to protect the free enterprise system. We are committed to the maintenance of an efficient, free and competitive market structure. We compete fairly and ethically for all business opportunities.

2. What actions should Reliance - ADAG Companies' employees refrain from performing?

Employees should refrain from entering into agreements and practices that unreasonably restrict competition and are in restraint of free trade such as price fixing and boycotting suppliers or customers.

Any commercial strategy based on the intention to run a competitor out of business through unfair pricing or otherwise cannot be followed. Disparaging, misrepresenting, or harassing a competitor; stealing trade secrets; bribery; and kickbacks are strongly discouraged. Organisational conflicts in which one business unit's activities may preclude or impede the pursuit of a related activity by another business unit should be avoided.

Policy on Inside Information

1. What is Inside Information?

Employees usually have 'non-public' information about Reliance - ADAG Companies or about a company with which ADAG Companies does business. Such information is termed 'inside information'. Inside information includes, but is not limited to, 'unpublished price sensitive information'. Such inside information may include information about

- new products or processes;
- mergers, acquisitions or dispositions of businesses or securities;
- problems being faced by the company;
- sales;
- profitability;

- negotiations relating to significant contracts or
- business relationships with others;
- significant litigation; or
- other financial, technical, commercial, legal information
- pricing policies;
- Customer negotiation details;
- Business policies;
- Operational discussions and decisions; or
- Viewpoints of individual manager that may surface in a discussion.

2. What is "unpublished price sensitive" information?

Please refer to clause two, part 'B' of section 6 of the code.

3. What are the general principles of the Company policy about Inside Information?

It is important to understand that any Reliance - ADAG Companies employee may hold inside information and be subject to the restrictions contained in this policy. Employees should not give or release, without proper authority, to anyone not employed by the company, or to another employee who has no need or does not have the appropriate authority to receive inside information. Careful control of and restriction of access to sensitive inside information can significantly inhibit improper use of such information.

Employees should not use inside information obtained in company employment (including information about customers, suppliers or competitors) for the direct or indirect personal gain of the employee or anyone else.

This includes, but is not limited to, taking advantage of such information by:

- trading or providing information for others to trade in securities or
- acquiring an interest of any kind of property, including but not limited to plant locations or office sites or adjacent properties or
- advising or assisting or informing a customer, contractor, supplier, consultant, advisor, agents, intermediary, contractor, broker, and representative of the company in a manner which leads to direct or indirect personal gain of the employee or anyone else.

Data transmitted or stored electronically are the assets of the Company requiring protection. Each data user throughout the company is responsible for compliance with the standards and related procedures with reference to safeguarding such data.

Employees who handle particularly sensitive inside information, and who may not have the background to understand the legal and corporate implications of the misuse of such information, should periodically discuss with the Ethics Office the implications of this policy.

If during the course of employment in Reliance - ADAG Companies employees have developed any patent, know how, invention, or process or if they have been entrusted in preparation of any market / other research report, the same is prohibited from being used outside the company.

Employees should also refer to the Insider Trading Policy contained in this policy document to further understand the company's policy on this issue. Employees found violating the requirements of the Policy on Insider Information would be subject to disciplinary action.

Policy on Financial and Accounting Integrity

1. What is our commitment?

We are committed to the maintenance of accurate and complete corporate records.

2. What is expected of employees?

Transactions between Reliance - ADAG Companies and outside individuals and organizations must be promptly and accurately entered in our books and systems in accordance with generally accepted accounting practices and principles.

3. What actions on the part of employees are considered unacceptable?

Rationalising or even considering misrepresentation of facts or falsification of records is completely unacceptable. It is illegal, will not be tolerated, and will result in disciplinary action.

4. What is the specific policy to ensure financial and accounting integrity?

All accounts and records shall be documented in a manner that clearly describes and identifies the true nature of business transactions, assets, liability, income and expenditure and properly and timely classifies and records entries in the books of account in conformity with generally accepted accounting practices and principles. No record or entry or document shall be false, distorted, misleading, misdirected, and deliberately left incomplete or suppressed.

There is no room for:

- Improper or fraudulent accounting;
- Documentation or financial reporting contrary to company's policies and
- Intentional wrong accounting / misclassifications and miscalculations. The company has established internal control standards and procedures to ensure that assets are protected and properly used and that financial records and reports are accurate and reliable.

Employees share the responsibility for maintaining and complying with required internal controls.

Improper accounting and documentation and fraudulent financial reporting are not only contrary to Company policy but also may be in violation of laws and regulations.

Policy on External Communication

1. What are the principles for external communication?

Reliance - ADAG Companies seek to form a constructive and productive relationship with all aspects of media. Reliance - ADAG Companies recognizes that open communication is essential. Reliance - ADAG Companies has a comprehensive corporate information programme and provides full relevant information about its activities to legitimately interested parties, subject to any overriding considerations of business confidentiality and cost. Only employees authorised by Reliance - ADAG Company's Corporate Communications Department are permitted to give an interview/or publish an article written by him/her, in various sections of media/radio/T.V. shows, etc. The above does not apply to non-Reliance - ADAG Companies topics. However, it will be preferred if the employee clears the same prior to the said interview/press article, radio talk or TV show with the Corporate Communications Department. For further details, reference may be made to the detailed internal guidelines issued by Corporate Communications.

Policy on Work Ethics

1. Why do we need a policy on Work Ethics?

Success in implementing a Code of Ethics is not likely to be fully achieved in a large organization like

Reliance - ADAG Companies without a positive work environment. Interpersonal relations based on the values of respect, harmony and mutual developments are key in this effort. Managers need to take effort to maintain high standards of interpersonal behaviour to ensure continuing employee development and high levels of morale within the organization. To that end, a defined code of work ethics can give managers a clearer direction on these issues.

2. What are the issues that are relevant to promote better work ethics? And what are our policies?

Business confidentiality

Employees are expected to maintain business secrecy and confidentiality by ensuring that inside information policy is implemented. For instance, employees should not share with others any information that they may come to acquire during the process of closed door discussions with other employees/outsideers.

Favouritism in the workplace

All Departmental / Business Heads must treat each and every employee in their department equally. It is but natural for a manager to trust, respect and depend upon one employee most than another - a result of experience, common interests, goals or backgrounds. The underlying principles is that each one of us, regardless of our position within Reliance – ADAG Companies, are expected to work to create an environment where people are

valued as individuals and treated with respect, dignity, fairness and equality, thus leaving no room for displays of favouritism.

Avoid behaviours and actions that can result in a Conflict of Interest

For a conflict of interest to exist, direct benefit to the employee may or may not be feasible. Conflict of interest may also arise when an emotional attachment to a person by way of relation or allied interests can affect or affects the decisions made by the employee. The employee should conduct himself/herself and arrange his/her affairs in way that ensures he/she is not involved in any arrangement or circumstance, including relations or other personal relationships that might dissuade him from acting in the best interest of the company. An employee should not use directly or indirectly his influence within the company on an officer of the company, or other executives, or on any outside party, that may benefit an employee and/or his family and/or his relations and/or any persons covered above.

Avoiding Intellectual Dishonesty

Employees should perform their actions with sincere diligence and honesty. They should strive to attain high levels of intellectual integrity and honesty. Employees should strive to be true to themselves while performing their duties. A typical example of intellectual dishonesty would be when an employee decides to present an inaccurate picture of his work/performance to his superiors even when he is consciously aware of the inaccuracy. Such behaviour should be avoided. • Intellectual integrity fosters leadership qualities in employees. Managers should strive to instil, encourage, and appreciate intellectual integrity in their colleagues.

Gossiping at Work

- There is no place for malicious rumours and gossip, both of which attack the spirit of the individual and attempt to divide us into groups.
- At Reliance - ADAG Companies' workplace, employees should not gossip. Of course, it is only natural that we communicate with other employees, but our office is no place for rumours / gossip.
- Whenever you are communicating/passing information (casually or not), do so in a manner that ensures that the message heard by those listening, is as accurate as possible.
- Insinuations, half-truths, malicious rumours must be avoided.
- Reliance - ADAG Companies ethical work place is based on trust, honesty, candour and teamwork.

Other related standards

The following guidelines are suggested:

- To tidy up work areas.
- To organize all files, papers and documents.
- To punch in the Time-o-log attendance system each time an employee leaves / returns to office.

- Refrain from using office assets and properties for personal work.
- Maintain company property and assets with appropriate care.

Other office behavioural standards

The cost of these activities is high, especially in the areas of motivation, morale and stress, quality, turnover, productivity, pride as well as customer satisfaction - all the areas that we want to emphasize in a highly ethical company.

- Refrain from "scape goating" - blaming others for missed commitments, bad decisions or poor results.
- Allowing the boss/ colleagues to fail by withholding information or by not pointing out risks.
- Over-promising a customer/ colleague.
- Turf-guarding / protecting yourself from losing control or power.
- Withholding / purposely delaying information required by another department/ colleague.
- Risk aversion - not doing what is needed to succeed because you fear the consequences of failure more than you value the reward of success.
- Not delivering on commitments due to the fact that the other person's priorities are not important to you or because you look good by looking better than someone else.
- Misuse of time: Time is an asset and the misuse of that asset is just as wrong as the misuse of any of our assets here at Reliance - ADAG Companies.

Examples of discharging time:

- Taking personal time off and not reporting it.
- Long lunches and breaks.
- Wasting time at work on computer games, personal business or reading magazines.
- Time spent on telephone on personal matters or working during office hours on personal projects.
- Calling outsiders at the work place and conducting personal/ other business appointments.

Transparency

- What is Reliance - ADAG Companies policy on Transparency?
Reliance - ADAG Companies and all its employees undertake to conduct all the business transactions and take all decisions which are relevant to their function, in a transparent and reasoned manner keeping in mind, the established norms of confidentiality and secrecy which are necessary to protect the business and competitive interests of Reliance - ADAG Companies.
- The employees shall conduct all their actions in a manner complying with all laws and requisite disclosures there under.

- The employees shall endeavour to create an internal communication network in their spheres of operation and activity, which is transparent and unhindered by levels in organizational hierarchy.

Protection and use of Assets

- What is the company's policy on protection and use of assets? It is the primary responsibility of each employee to protect and properly utilize the Company's assets including proprietary information. Employees must safeguard company's physical property and other assets against unauthorized use or removal, as well as against loss by criminal act or breach of trust.

Policy on Personal Conduct

1. What are employees expected to do?

Reliance - ADAG Companies employees are expected to ensure that their conduct at all times, in official as well as personal capacity is such that Reliance - ADAG Companies reputation is upheld. They must remember that one is judged by how he or she acts and the company he or she keeps. Our reputation will be upheld if we act with integrity in all our dealings, even at a personal level, and we always do what we think is right at all times.

2. What is the policy on personal conduct?

In official as well as personal capacity, employees at no times should indulge in any action / behaviour that:

- Violates any law; or
- Is indicative of personal indiscretion; or
- Is socially unacceptable.

3. What is the essence of this policy on conduct at home?

When judging the relevance of any personal indiscretion or socially unacceptable behaviour by an employee, whether at work or elsewhere, consideration of following questions may be helpful:

- Could the employee's conduct leaves him or her vulnerable to special pressures from others in a way that might affect his or her work?
- Could the employee's conduct prejudice Reliance - ADAG Companies good name?

4. What are some common actions that can be considered as improper conduct?

- Exercise of sound judgment and common sense will equip every employee to judge as to whether his / her actions can be construed as improper conduct. The key question that employees need to ask themselves at all times is whether this conduct befits a cultured, mature, and socially responsible adult?

- It also must be kept in mind that while major lapses of law and social behaviour are usually prevented very often seemingly minor mistakes can and do result in improper conduct. Even such actions need to be avoided.

Indicative examples are:

Violation of law

- Possession of liquor in excess of permissible limits is a violation of the excise laws.
- Possession of foreign exchange in excess of defined limits is in violation of forex laws.
- Holding undeclared or undisclosed assets.
- Acts of personal indiscretion or socially unacceptable behaviour
- Getting drunk in a party or a social function or misbehaving in public.
- To be under the influence of liquor, narcotics or any other form of intoxication while representing
- Reliance - ADAG Companies or reporting to work at the Reliance - ADAG Companies premises or at a customer's / supplier's premises.
- Using abusive - expletive infested language
- Inflicting verbal abuse on anyone (including employees)
- Loud and irresponsible behaviour in public which causes discomfort and embarrassment to surrounding people.
- Manhandling or physical assault on any one.
- Unreasonable criticism
- Undue show of authority
- Reporting to work in an inappropriate dress or presenting oneself in a shabby manner.

The range of possibilities covered by this policy is too wide for any pre-defined guidelines. Respect for the self as well as for others has to be the guiding principle for personal conduct. However, it is imperative that employees remember to exercise sound judgment and demonstrate a serious sense of responsibility and maturity all times and in official as well as personal capacities.

Policy on Health Safety and Environment

1. What is Reliance - ADAG Companies policy on Health Safety and Environment?

"Safety of person overrides all the Production Targets" - is the Health, Safety and Environment Policy of Reliance - ADAG Companies.

To attain this, the Health Safety and Environment in the plants are safeguarded by the provision of:-

- Properly designed plants / Office.
- Effective use of safe working procedures and practices.
- Meeting in all respects the applicable statutory requirements.

- Clearly defined procedures for inspection, operation and emergency shut down and their updating.
- Imparting relevant training and strict validation of employees after training.
- Continuous, systematic and micro level auditing - internal as well as external - of work procedures and practices.
- Continuous and systematic education of Company's Contractors' and Transporters' personnel for observing safe work practices.
- A detailed investigation of all incidents including the minor ones and near-miss incidents followed by recommendations to avoid recurrence.
- Analyse the findings of investigations of accidents in similar industry and take steps to prevent such accidents in the plants.
- Keep abreast with the latest international codes, standards and practices.
- Continuous monitoring of plant locations/ Office and ambient environment as well as of various effluents -liquid, gas and solid - to maintain a clean and safe environment in and around the plants / Office.
- Pre-employment and periodic medical check-ups of employees for early identification of occupational health hazards.

Policy on Quality

1. What is Reliance - ADAG Companies policy on Quality?

We at Reliance - ADAG Companies are committed to total customer satisfaction in terms of quality and services for the entire range of our products.

Our continued commitment to excellence and innovative efforts help us stay ahead as market leaders.

4. Ethics management

ADAG Companies have established an elaborate Ethics Management Organization to underscore our commitment to ethical conduct throughout our Company. It is a key part of vigorous corporate-wide efforts to promote a positive and ethical work environment. Ethics Compliance Process Reliance - ADAG Companies Code of Ethics and Business Policies are applicable to:

- all personnel in the management cadre; and
- all full-time consultants, representatives, suppliers, contractors and agents. Applicability of the code and policies to other employees will be reviewed at a later date.

Step 1 : Adoption and Acceptance of the Code and Policies

All employees should adopt and accept the code and policies with immediate effect. A letter containing an affirmation / undertaking to that effect will be kept on record from each employee in and above the management cadre. This will be a one-time requirement. Such acceptance of the code and the policy will be considered as an automatic amendment of the terms and conditions of employment as outlined in the letter of appointment. Refusal by an employee to accept this policy / code will lead to his / her dismissal.

Refer annexure 1

Step 2 : Disclosure

Every person covered under this code shall submit, no later than fifteen days from the date of the acceptance letter as explained in step 1, to the Ethics Office all the information required for the implementation and enforcement of the Code of Ethics. This will also be a one-time requirement Refer annexure 2

Step 3 : Annual Reporting

Every person covered under this code shall file, before each January 1, with the Ethics Office:

- an affirmation of personal compliance with Code of Ethics and Business Policies in the preceding year, and
- a statement listing all his potential conflicts of interest as defined in the Code of Ethics, or if there are none, a statement to that effect.
- the duly filled questionnaire on ethics compliance; and
- the duly filled information disclosure forms. Refer Annexure 3

Step 4: Compliance review process

The Ethics Compliance Process comprises of the following:

1. Employees are urged to resolve all conflicts of interest and violations of the policy by self-regulation.
2. Ethics Office will use information collected from the disclosure and annual report process and if required obtain additional information to ensure that no conflict of interest or violation of ethics policy exists.

3. Conflicts of interest and violation of the policy will be promptly resolved by immediate termination of relevant contracts and / or appropriate disciplinary action.
4. All conflicts of interest and violation of the policy will be resolved by termination and / or disciplinary action within 15 days of acceptance of the policy / code. The employee should note the following details:
All actual / existing conflicts of interest and violations of the code should be promptly resolved by the employee by the process of self-regulation involving immediate termination of relevant contracts / arrangements. If the employee cannot for any reasons resolve conflicts and violations by self-regulation, he or she should to seek clarification of and discuss questions about, each actual or potential conflicts and violations of the policy with the Ethics Office. Each actual or potential conflict of interest or violation of policy should be reported promptly with full disclosures to the Ethics Office as soon as the conflict / violation arise. Employee must also note the conflicts / violation in his / her annual business ethics report. Requests for a conflict of interest and violation of policy determination will be reviewed on a case-by-case basis.

The request should include, as a minimum, the following information:

A description of the employee's duties and responsibilities with Reliance - ADAG Companies. In respect of actual or potential conflict of interest, a description, in general terms, of the proposed outside activities to be performed by the employee, including the name, product lines, and market of the outside company or business in which the employee proposes to become involved. A description of the relationship of the outside company or business to Reliance - ADAG Companies, if any (for example, supplier, customer, similar products or competitor). The proposed level of the employee's involvement in, or proposed position to be held with, the outside company or business (for example, owner, employee, representative, consultant, advisor). Any other details in respect of an actual or potential violation of the code. If the situation is deemed not to be a potential conflict of interest or a violation of the code, management should notify the employee of the decision in writing. When the potential conflict of interest or a violation exists and it is considered to be unacceptable the Ethics Office should promptly resolve the matter by initiating the actions that lead to termination of relevant contracts and / or appropriate disciplinary action. All information disclosed to management as required by this code shall be treated confidentially, except to the extent necessary to protect the Company's interest; principles of natural justice would be applicable to the decisions and review processes of the Ethics Office.

Step 5: Ongoing Counselling and Ethics Education

In order to support its ethics programme, Reliance - ADAG Companies will develop a comprehensive ethics education and communication programme. These programmes will be developed to provide employees with job-specific information to raise their level of awareness and sensitivity to key ethical issues.

While strongly recommending that employees err on the side of the caution, to begin with, here are some practical ways to hone individual sensitivities towards ethical dimensions in decision making.

Warning Signs

You're On Thin Ethical Ice When You Hear Yourself saying....

"Well, may be just this once..."

"No one will ever know..."

"It doesn't matter how it gets done as long as it gets done."

"It sounds too good to be true."

"Everyone does it."

"Shred that document."

"We can hide it."

"No one will get hurt."

"What's in it for me?"

"This will destroy the competition."

"We didn't have this conversation."

If you find yourself using any of these expressions, take the Quick Quiz given below and make sure you are on solid ethical ground.

Quick Quiz - When In Doubt, Ask Yourself...

1. Are my actions legal?
2. Am I being fair and honest?
3. Will my action stand the test of time?
4. How will I feel about myself afterwards?
5. How will it look in the newspaper?
6. Will I sleep soundly tonight?
7. What would I tell my child to do?

12 questions to help you address ethical dilemmas

1. Have you defined the problem accurately?
2. How would you define the problem if you stood on the other side of the fence?
3. How did this situation occur in the first place?
4. To whom and to what do you give your loyalty as a person and as a member of the corporation?
5. What is your intention in making this decision?
6. How does this intention compare with the probable results?
7. Whom could your decision or action injure?
8. Can you discuss the problem with the affected parties before you make your decision?
9. Are you confident that your position will be as valid over a long period of time as it seem now?
10. Could you disclose without qualm your decision or action to your boss, your Managing Director, the board of directors, your family, society as a whole?

11. What is the symbolic potential of your action if understood? Misunderstood?

12. Under what conditions would you allow exceptions to your stand? If you are still not sure what to do, ask the relevant Ethics Officer and keep asking until you are certain you are doing the right thing.

Issue Based Counselling Facility

If any employee, whether covered by this Code or not, feels that any of his actions or any actions of any of his peers, superiors or colleagues, at the official or personal level, can be or is in contravention of the letter of spirit of this Code, then he can approach the office of the Chief Ethics for suitable redressal. Employees are advised to use the following confidential means of communication (email: ethics@relianceada.com) if they need additional information or if they wish to discuss a matter of concern with the Ethics Office. When anyone contracts this Office: They will be treated with dignity and respect. Their communication will be protected to the greatest extent possible. Their concerns will be seriously addressed and, if not resolved at the time you call, they will be informed of the outcome. They need not identify themselves. There will never be a penalty for accessing the Ethics Office. People in a position of authority can't stop anyone from accessing the Ethics Office. If they try, they're subject to appropriate disciplinary action.

ANNEXURE 1
Acceptance Letter

Name : _____

Employee Code No. : _____

Title : _____

Department : _____

Address : _____

Tel : _____ Fax : _____

Email : _____ Date : _____

To
The Ethics Office

Subject : My acceptance of Reliance - ADAG Companies Code of Ethics and Business policies As an employee of the Reliance - ADAG Companies, I confirm that I have received, read and understood the following policy documents:

- | | |
|----------------------------|--------------------------------|
| 1. Values and Commitments; | 2. Code of Ethics; |
| 3. Business Policies; | 4. Insider Trading Policy; and |
| 5. Ethics Management | |

Any unclear points in these documents have been satisfactorily clarified in discussions with the Ethics Office.

I am pleased to accept and adopt the policies contained in these documents. I assure the company that I will truthfully follow the policies and procedures outlined in the code (and amendments thereto from time to time). I will also provide the detailed information disclosures and ethics compliance reports as outlined in the Code from time to time. I understand that I have a personal duty to bring all (actual or potential) violations of these policies to your attention. I confirm that I can carry out my day-to-day work within the spirit and letter of these policies and codes. I am aware and fully understand that these codes and statements as outlined above will now form a part of my contract of employment and this acceptance leads to automatic amendment of the terms and conditions of my employment as outlined in the appointment letter given to me.

I understand that I will not suffer if the business is lost as result of the observance of these policies.

I appreciate that this marks an important step in Reliance - ADAG Companies corporate development and also my personal growth.

Assuring the company of my continuing commitment.

Signature
(Name)

ANNEXURE 2

Disclosure under the Code of Ethics

Name : _____

Employee Code No. : _____

Title : _____

Department : _____

Address : _____

Tel : _____ Fax : _____

Email : _____ Date : _____

To
The Ethics Office

1. Are you a director / member / partner / owner in any company / firm / sole proprietor concern?
Yes / No.

If yes please give the following details:

Name of the firm/ company Name of the other partners	Name of the other partners / Directors	Relationship with ADAG Companies e.g. its supplier/ customer/ contractor/ Intermediary/ Broker/ Consultants/ advisor/ competitor	Do you have direct control or any influence over the management process of the firm/ company?	Do you have direct control or any influence over ADAG Companies decisions that affect its relationship with the firm / company?

2. Is any of your relative, a director / member / partner / owner in any company / firm / sole proprietor concern?
Yes / No.

If yes, please give the following details:

Name of the firm/ company	Name of the relative	Relationship with you	Name of the other Partners/ Directors	Relationship with ADAG Companies e.g. its supplier/ customer/ contractor/ Intermediary/ Broker/ Consultants/ advisor/ competitor	Do you have direct control or any influence over the management process of the firm company? Do you have direct control or any influence over ADAG Companies decisions that affect its relationship with the firm / company?

*(*Relatives include the following Spouse, Father, Mother, Sons, Son's Wife, Daughters, Daughters' Husband, Father's father, Father's Mother, Mother's Father, Mother's Mother, Son's son, Son's son's wife, Son's Daughter, Son's Daughter's Husband, Daughter's Son, Daughter's Son's wife, Daughter's Daughter, Daughter's Daughter's Husband, Brother (including step brother), Brother's wife, Sister (including step - sister) Sister's Husband, Member's of HUF)*

3. Source of my income

Source Yes No	
Income from Salary	
Profits from Business	
Income from Profession	
Capital Gains	
Income from House Property	
Interest Income	
Dividend Income	
Other Sources	

4. Details of ADAG COMPANIES Shares held by my relatives and me (Relatives include the following Spouse, Father, Mother, Sons, Son's Wife, Unmarried Daughters) as of _____.

Name	Relationship	Nature of Security	ADAG Company nos.
-------------	---------------------	---------------------------	--------------------------

I hereby confirm that all information as mentioned above is true to the best of my knowledge and belief.

I hereby indemnify the company from the impact of any consequences that may arise on account of incorrect / wrong disclosure or misstatement on my part in the above form.

Thanking you,

Signature

(Name)

ANNEXURE 3
Acceptance Letter

Name : _____

Employee Code No. : _____

Title : _____

Department : _____

Address : _____

Tel : _____ Fax : _____

Email : _____ Date : _____

To
The Ethics Office

This is to confirm that I have read and understood fully, Reliance - ADAG Companies Business Policies and Code of Ethics as adopted and as amended from time to time by the Company. As desired by the said code I hereby confirm that, during the reporting period, I have complied with all the provisions of the Policies / Codes. I further confirm that I have taken care that none of my actions violate any of the Policies / Code. I further confirm that none of my actions or that of my relatives / associates / friends' actions have resulted into any unaccepted conflict of interest or spoiled the image of the company (with the exceptions, if any, as stated in the Enclosure 1 hereto**). The annual compliance questionnaire and information disclosure is given in the attached forms. I am aware that the management of the Company is at liberty to take any action which it may deem fit in case the above declaration is found false at a latter date. I hereby agree to indemnify and keep the company indemnified from the impact of any such consequences that may arise on account of incorrect and wrong disclosure or misstatement on my part in the above form.

I hereby confirm that all information as mentioned above is true to the best of my knowledge and belief.

Thanking you,
Signature
Name
Title

Encl:

1. Description of conflicts of interest / violations of the policy. (For guidance on what details should be given here please refer to "Chapter 5. Ethics Management and Compliance" "Section title Step 4: Compliance review process"
2. Questionnaire for Annual Reporting on Ethics Compliance.
3. Information Disclosure required for implementing the Code of Ethics.

Questionnaire for Annual Reporting on Ethics Compliance	Y	N	NA
<p>[For clarification on each question in this Annual Report-Ethics Compliance Questionnaire, reference may be made to the detailed document containing the Policies or assistance may be sought from the Ethics Office].</p> <p>Awareness</p> <p>1. Have you read Reliance - ADAG Companies Business Ethics Policies contained in : Values and Commitments; Code of Ethics; Business Policies; Insider Trading Policy; and Ethics Management?</p> <p>Overall compliance with Values and Commitments</p> <p>2. Have you ensured that your business and personal conduct reflects the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Caring?</p> <p>Overall compliance with commitments to our stakeholders</p> <p>3. Do your actions reflect and uphold the company's commitment to the ethical treatment of all our stakeholders - our employees, our customers, our environment, our shareholders, our lenders and other investors, our suppliers and the Government?</p> <p>3.1 In any of your interactions with our stakeholders, have you violated our strongly held belief that the other person's interests count as much as our own?</p> <p>Overall Compliance with the Code of Ethics</p> <p>4. Has your business conduct been in alignment with the values described in our Code of Ethics and Values?</p> <p>4.1 Have you conducted the company's business with integrity, in compliance with applicable laws, and in a manner that excluded considerations of any direct or indirect personal advantage / gains to you?</p> <p>Compliance with the policy on Conflict of Interest</p> <p>5. Do any of your activities or personal (direct or indirect) interests, including those of your relative's, lead to or can lead to a conflict of interest?</p> <p>If the reply is 'Yes', please provide details.</p> <p>Compliance with the policy on Payments and Gifting:</p> <p>6. Have you ensured that before extending any gifts, business courtesies, favours and entertainment on behalf of the Company that They are consistent with customary business practices; They are not in contravention of applicable law; and Public disclosure of the facts will not create the appearance of impropriety or embarrass neither the company nor the employee?</p> <p>If the reply is 'No', please provide details.</p> <p>Compliance with the policy on Receipt of Gifts</p> <p>7. In respects of business courtesies / gifts offered to you and / or accepted by you have you ensured that principles enshrined in the policy were adhered to?</p> <p>If the reply is 'No', please provide details.</p> <p>Compliance with the policy on Fair Market Practices:</p> <p>8. Have you at any time in the previous year entered into agreements and or engaged in practices that unreasonably restrict competition and are in restraint of free trade?</p> <p>If the reply is 'Yes', please provide details.</p> <p>Compliance with the policy on Procurement / purchases through suppliers:</p> <p>8.1 If you made any procurement decisions did you ensure that they were made purely on the basis or quality, service, price, delivery, best value, or other similar factors?</p> <p>If the reply is 'No', please provide details.</p>			

<p>8.2 Did you take care to avoid conflicts and the appearance of partiality regarding all business transactions with suppliers? If the reply is 'No', please provide details.</p> <p>Compliance with the policy on Insider Information:</p> <p>9. If you were in possession of 'insider information' have you ensured that it was not given or released, without proper authority, to anyone not employed by the company, or to another employee who has no need for information or is not authorized to receive such information? If the reply is 'No', please provide details.</p> <p>Compliance with policy on Insider Trading:</p> <p>10. Have you at any time in the previous year had access to 'unpublished price sensitive' information about Reliance - ADAG Companies or any other firm? If yes,</p> <p>10.1 Have you ensured that you (and your relatives*) have, at no time in the previous year traded (bought or sold) the securities of Reliance - ADAG Companies or the other firm when you had access to and were in possession of such "unpublished price sensitive" information about Reliance - ADAG Companies or any other firm?</p> <p>10.2 Have you ensured that you (and your relatives*) traded (bought or sold) securities of Reliance - ADAG companies or the other firm only after Reliance - ADAG Companies or the other firm made the announcement / action that caused the unpublished price sensitive information to reach public domain?</p> <p>10.3 If you had been designated as specified employee under this policy have you restrained yourself / your relatives* from trading in the Reliance - ADAG Companies securities during the 'ban' period (period commencing on the date of intimation given to the Stock Exchange about the meeting to the date of release of a quarterly or annual statement earnings and ending at the time of the announcement / action by Reliance - ADAG Companies that caused the unpublished price sensitive information / financial results to reach public domain?) (*Relatives include the following Spouse, Father, Mother, Sons, Son's Wife, Unmarried Daughters)</p> <p>Compliance with the policy on Financial, Records and Accounting integrity:</p> <p>11. Are involved in the finance, record keeping or accounting functions? If the reply is 'Yes', please answer the following</p> <p>11.1 Have you ensured that accurate and complete corporate records have been maintained?</p> <p>11.2 Have you ensured that transactions between Reliance - ADAG Companies and outside individuals and organizations have been promptly and accurately entered in our books and systems in accordance with generally accepted accounting practices and principles?</p> <p>11.3 Have you at any time been involved in falsification of records, misrepresentation / misstatement of details in respect of any transactions?</p> <p>Compliance with the policy on appointment of agents, consultants and representatives:</p> <p>12. Have you appointed / or approved the appointment of / are aware of any appointment of any full-time consultant, advisor, agent, intermediary, broker, or representative of Reliance - ADAG Companies that leads to or can lead to a Conflict of Interest?</p> <p>12.1 If the reply to above is 'Yes', have you ensured that such instances of conflict of interest have been discontinued? If the reply is 'No', please give details.</p> <p>12.2 If you have appointed / or approved the appointment of any full-time consultant, advisor, agent, intermediary, broker, or representative of Reliance - ADAG Companies have you ensured that such person(s) have certified their willingness to comply with the Company's Business Ethics Policies? If the reply is 'No', please give details.</p> <p>Compliance with the policy on external communication</p> <p>13. Have you given any interview to the media or published an article in newspapers / magazines without appropriate authorization? If the reply is 'Yes', please give details.</p>			
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<p>Compliance with the policy on Political Contributions 14. Have you made / authorized the payment of any political contribution out of company funds? 14.1 If yes, have you ensured that it was legally permissible and was appropriately authorized? If the reply is 'No', please give details.</p> <p>Compliance with the policy on work ethics 15. Have you complied with the policy on work ethics pertaining to the following issues: Business confidentiality, favouritism, gossiping, office behaviour, transparency and protection and use of assets?</p> <p>Compliance with the policy on Personal Conduct: 16. Have you ensured that your conduct all times, in official as well as personal capacity is such that Reliance - ADAG Companies reputation is upheld? 16.1 Have you at any time indulged in any action / behaviour that Violates any law; or Is indicative of personal indiscretion; or Is socially unacceptable? 16.2 Have you ensured that your conduct at all times befits a cultured, mature and socially responsible adult?</p> <p>Compliance with the policy on health safety environment 17. Do any of your actions violate the company's policy on health safety environment? If the reply is 'No', please give details.</p> <p>Compliance with the policy on quality 18. Do any of your actions violate the company's policy on quality? If the reply is 'No', please give details Additional details, if any:</p>			
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I hereby confirm that all information as mentioned above is true to the best of my knowledge and belief.
I hereby indemnify the company from the impact of any consequences that may arise on account of incorrect and wrong disclosure or misstatement on my part in the above form.

Thanking you,

Signature
(Name of Employee)

Date:

5. Policy on prevention of sexual harassment

1. Objective

- 1.1. to promote a productive work environment;
- 1.2. not to tolerate verbal or physical conduct of a sexual nature by any employee that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment.
Harassment that is unchecked has the potential to hurt the employer's operations through decreased productivity and increased employee turnover.

2. Scope

This policy is applicable to all allegations made against an employee, irrespective of whether sexual harassment is alleged to have taken place within or outside Company premises.

3. What constitutes Sexual Harassment?

3.1 Sexual harassment can be defined as unwelcome sexual advances, requests for sexual favours, and other verbal and physical conduct of a sexual nature by any person(s) when:

- submission to that conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- submission to or rejection of that conduct by an individual is used as the basis of employment decisions affecting the individual or denying equal opportunity in pursuit of career development; or
- the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

3.2 This conduct includes:

- a. Unwanted physical contact or conduct of any kind, including sexual flirtations, touching, molestation, advances, or propositions; Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; Demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages;

The display in the workplace of demeaning, insulting, intimidating, pornographic or other offensive or derogatory or sexually suggestive objects, pictures, photographs;

3.3 Based on these criteria, sexual harassment typically is categorized into two types:

- a. **"Quid Pro Quo (this for that) Harassment"**: Sexual harassment by managers and supervisors generally is considered "quid pro quo" harassment when it involves the solicitation of sexual favours in exchange for some type of employment decision. To prove quid pro quo harassment, a complaining employee must show that he/she was subject to an unwelcome request for sexual favours by a supervisory employee and that his/her acquiescence to, or rejection of, the request was used as the basis for decisions affecting his / her compensation, terms, conditions, or other privileges of employment. Preferential Treatment also may constitute quid pro quo harassment.
- b. **"Hostile Work Environment Harassment"**: Harassment by non-supervisory employees generally falls into the category of "hostile environment" sexual harassment rather than "quid pro quo" harassment. Typically, there is no direct link between the offensive conduct and a tangible job benefit or detriment in hostile environment cases. An employer is responsible for hostile environment harassment by non-supervisory employees only if the employer knew or should have known of the harassment and failed to take immediate and appropriate remedial action.

3.4 Sexually harassing or offensive conduct in the workplace, whether committed by supervisors, managers, non-supervisory employees, or non-employees, is prohibited.

3.5 Any of the above conduct, or other offensive conduct, directed at individuals because of their race, caste, creed, religion, physical disability, family background, pregnancy or age is also prohibited.

4. Responsibility of the Employee

Any employee who believes that a supervisor's, manager's or other employee's actions or words constitute unwelcome harassment has a responsibility to report or complain about the situation as soon as possible. The report or complaint should be made to the department head or Personnel Manager.

5. Compliant Procedure

- 5.1 The report or complaint should be made to the employee's supervisor or to the department head or Personnel Manager if the complaint involves the supervisor or manager.
- 5.2 Complaints of harassment will be handled and investigated under the Company's grievance policy, unless special procedures are considered appropriate.
- 5.3 All complaints of harassment will be investigated promptly as per the Investigation Procedure and in as impartial and confidential a manner as possible.
- 5.4 Employees are required to cooperate in any investigation.
- 5.5 Each complaint should be resolved within a period of 2 months from the complaint and communicated to the parties involved.
- 5.6 Any employee utilizing the compliant procedure will be treated courteously.
- 5.7 A person knowingly making a false claim shall also be subject to disciplinary action.

6. Investigation Procedure

6.1 A timely investigation of allegations of sexual harassment is important. A complaining employee or unjustly accused individual also may suffer increasing emotional distress the longer any resolution is delayed.

6.2 The investigator

The supervisor or other person receiving the complaint should refer the complaint to the personnel department without delay. The personnel department should choose an investigator. Typically, the investigator should be a human resources professional who is specially trained to conduct sexual harassment investigations. The investigator should be sensitive to the emotional nature of this type of investigation. He/She should also understand what constitutes sexual harassment under both the employer's policy and the law in order to evaluate the complaint properly. Apart from business relationship, investigators should not have any involvement with the complainant or the alleged harasser.

6.3 The investigation process

The process should provide a fair method for both sides to be heard and to receive information. The employer and its investigator should not prejudge the alleged harasser's guilt. Witnesses should be interviewed as soon as possible. All responses should be documented and, if possible, statements should be written and signed by the person providing the information. In addition, all participants in the investigation should be reminded that their cooperation and confidentiality are required.

6.4 Interviewing the involved parties

The investigator should be prepared to deal with the complaining employee's embarrassment and anger by patiently, but firmly, explaining that details are needed for an accurate investigation. The complaining party should be interviewed first, to ensure that all important details and witnesses are identified promptly. It is important for interviewers to be objective and non-judgemental and allow the alleged harasser to respond to each allegation. The investigator also should inform him of the type of disciplinary action that may be taken if the allegations are found to be true. Both parties should be told to avoid contact with one another, and ways to minimize contact should be implemented. The complaining employee should be encouraged to report any further incidents of harassment or retaliation. Witnesses should be told as little as possible about the details of the complaint in order to reduce the employer's exposure to later claims of defamation. The investigator should recognize that there might be no eyewitnesses. Thus, the employer may have to resolve a sexual harassment claim based on the credibility of the parties.

7. Training for Supervisors and Employees

7.1 To be effective, a policy against sexual and other harassment must be implemented carefully and should include training for all personnel. The training should identify the types of behaviours that are offensive or prohibited and educate all employees to respond appropriately to harassing situations.

7.2 Training for all employees should include:

- a) a statement that the employer condemns harassment of any kind, even if it is not explicitly prohibited by the employer's policy or by law;

- b) the definition of harassment, with particular attention paid to the legal definitions of sexual harassment;
- c) a description of prohibited conduct, as is provided in the Policy;
- d) the consequences of violating the policy against harassment, and the types of behaviour that may lead to immediate termination;
- e) the grievance procedure for handling complaints; and
- f) encouragement to report harassment and reassurance that there will not be any retaliation for complaints or reports of harassment.

7.3 In addition to training, all employees should receive a copy of the written policy and any further revisions. Employers also should provide training for all new hires and for those employees who are new to management positions.

8. Training for supervisory personnel

8.1 Supervisors and managers play a key role in preventing and eliminating harassment since they are in a position to identify potentially harassing behaviour.

8.2 Training for supervisory personnel should include:

- a. an awareness of harassment
- b. methods of prevention of harassing behaviour and
- c. appropriate responses when an employee complains of harassment.

8.3 However, supervisors and managers can cause severe problems if they engage in any form of harassment themselves. If proved guilty, they will be subject to strict disciplinary action, up to and including termination.

9. Consequences of Violation of the Policy

Any employee, supervisor, or manager who is found to have violated the harassment policy will be subject to appropriate disciplinary action, up to and including termination. The Company prohibits any form of retaliation against employees for bringing bona fide complaints or providing information about harassment. However, if an investigation of a complaint shows that the complaint or information was false, the individual who provided the false information will be subject to disciplinary action, up to and including termination.

6. Prevention of insider trading

The Policy and Obligations

The Company endeavours to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations. Every director, officer, designated employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. No director, officer, designated employee may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

To achieve these objectives, Reliance MediaWorks Limited hereby notifies that this Code of conduct is to be followed by all Directors, officers, designated employees and connected persons.

Part A - Definitions

1. **A.1 'Insider Trading'** means when insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions.;
- A.2 'Insider'** means any person who is or was a "Connected Person" or a "Deemed Connected Person" and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of a Company or who has received or has had access to such unpublished price sensitive information;
- A.3 'Company'** means Reliance MediaWorks Limited;
- A.4 'Compliance Officer'** means the Company Secretary of the Company.
- A.5 'Connected Persons'** means any person who
 - (a) is a director of the Company; or
 - (b) an officer or designated employee of the Company; or
 - (c) has a professional or business relationship with the Company
- A.6 'Deemed Connected Persons'** means and includes:
 - (a) Any group company, company under the same management or subsidiary of the Company;
 - (b) Dependents of the Connected Persons;
 - (c) Bankers of the Company;
 - (d) Merchant Banker, Share Transfer Agent, Registrar to an issue, Debenture Trustee, Broker, Portfolio Manager, Investment Advisor, Sub-broker or any employee thereof having a fiduciary relationship with the Company;
 - (e) Trustees of any trust the beneficiaries of which include any of the Connected Persons;
 - (f) Trustees of any trust who are conferred with the Power of Attorney to act on behalf of beneficiaries in respect of securities of the Company,
 - (g) Any person who was a connected person, whether temporary or permanent six months prior to an act of insider trading;
 - (h) Persons having professional or business relationship between themselves and the Company whether temporary or permanent and by virtue of such relationship are expected to be in possession of price-sensitive information;
 - (i) Any other person or category of persons mentioned in Regulation 2 of the SEBI (Prohibition of Insider trading) Regulations, 1992;
- A.7 'Dealing in Securities'** means buying, selling or agreeing to subscribe, sell or deal in any securities either as principal or agent and includes exercising of options;
- A.8 'Officer'** means and includes any employee of the Company in the rank of E-4 and above cadre and includes Auditors of the Company;
- A.9 'Designated Employee'** shall mean:
 - (a) Chief Executive Officer (CEO) / Chief Financial Officer (CFO);
 - (b) All employees E5-1; and
 - (c) Employees designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable.
- A.10 'Dependent'** shall mean the employee's spouse, parents and dependent children;
- A.11 'Price Sensitive Information'** shall mean any information which relates directly or indirectly to a Company and which if published is likely to materially affect the price of securities of Company.

Explanation: The following shall be inter alias, deemed to be price sensitive information:-

- a) periodical financial results of the Company;
- b) intended declaration of dividends (both interim and final);
- c) issue of securities or buy-back of securities;
- d) any major expansion plans or execution of new projects;
- e) amalgamation, mergers or takeovers;
- f) disposal of the whole or substantial part of the undertaking;
- g) any significant changes in policies, plans or operations of the Company.
- h) disruption of operations due to natural calamities;
- i) commencement of any new commercial production or commercial operations where the contribution there from is likely to exceed 10% of the total turnover of the Company during that financial year;
- j) developments with respect to changes in pricing/realisation on goods and services arising out of changes in government policy;
- k) Litigation/dispute with a material impact;
- l) Revision of credit ratings assigned to any debt or equity instrument of the Company;
- m) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

A.12 'Prohibited Period'

1. Means the period effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting, up to 24 hours after the price sensitive information is submitted to the Stock Exchange.
2. Such other period as may be specified by the Compliance Officer from time to time in consultation with the Chairman.

A.13 'Free Period' means any Period other than the Prohibited Period. Words and expressions not defined in these Regulations shall have the same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 1992 (Regulations) or the Securities and Exchange Board of India Act, 1992.

A.14 'Working day' means the working day when the regular trading is permitted on the concerned stock exchange where securities of the Company are listed.”

Words and expressions not defined in these Regulations shall have the same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India Act, 1992.

Part B

1. Compliance Officer

The Company has appointed the Company Secretary as Compliance Officer who shall report to the Chairman of the Company.

Duties of Compliance Officer

- a) He shall maintain a record of designated employees and any changes made to the list of Connected Persons.
- b) He may in consultation with the Chairman/Board and shall as directed by the Chairman/Board, specify Prohibited Period from time to time and immediately make an announcement thereof to all concerned.
- c) He shall maintain a record of Prohibited Period specified from time to time.
- d) He shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of 'Price-Sensitive Information', 'pre-clearing of Designated Employees' and their dependents' trades, monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of the Company.
- e) He shall maintain records of all the declarations submitted in the appropriate form given by the Directors, Officers, and Designated Employees for a minimum period of three years.
- f) He shall place before the Chairman/Board, on a monthly basis all the details of the dealing in the securities by Designated Employees, Directors, Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in these rules.
- g) He shall from time to time inform the Stock Exchanges of any price sensitive information on immediate basis.
- h) He shall intimate to all Stock Exchanges on which the securities of the Company are listed the relevant information received.

- i) He shall be responsible for overseeing and co-ordinating disclosure of price sensitive information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure and report to the Chairman.
- j) He shall ensure that prohibited period is intimated to all concerned at least 48 hours before the commencement of the said period.
- k) He shall inform SEBI of any violation of SEBI (Prohibition of Insider Trading) Regulations, 1992 within 7 days of knowledge of violation.

2. Preservation of "Price Sensitive Information"

Directors, Designated Employees, Officers shall maintain the confidentiality of all Price Sensitive Information. Employees/ directors shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities. Following practices should be followed in this regard.

2.1 Need to know

Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

2.2 Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and pass word, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

3. Prohibition on Dealing, Communicating or Counseling on Matters Relating to Insider Trading

No Insider shall -

- (a) either on his own behalf, or on behalf of any other person, deals in securities of the Company when in the possession of any unpublished price sensitive information;
- (b) communicates, counsel or procures, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required in the ordinary course of business or under any law.

4. Trading Restrictions

All directors/ officers and designated employees of the Company shall be subject to trading restrictions as enumerated below :-

4.1 Trading Window

The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Officers and Designated Employees will, during that period, often possess unpublished price sensitive information. During such sensitive times, the Directors, Officers and Designated Employees will have to forego the opportunity of trading in the Company's securities. The Directors, Officers and Designated Employees of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

4.2 The trading window shall be, inter alias, closed at the time of:-

- (a) Declaration of Financial results (quarterly, half-yearly and annual)
- (b) Declaration of dividends (interim and final)
- (c) Issue of securities by way of public/ rights/bonus, etc.
- (d) Any major expansion plans or execution of new projects
- (e) Amalgamation, mergers, takeovers and buy-back
- (f) Disposal of whole or substantially whole of the undertaking
- (g) Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;
- (h) Commencement of any new commercial production/commercial operations where the contribution there from is likely to exceed 5% of the total turnover of the Company during that financial year;
- (i) Developments with respect to changes in pricing/ realisation on goods and services arising out of changes in government policy;
- (j) Litigation/dispute with a material impact;
- (k) Revision of credit ratings assigned to any debt or equity instrument of the Company;

(l) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

4.3. The period of closure shall be effective from the date on which the Company sends intimation to Stock Exchange advising the date of the Board Meeting, up to 24 hours after the Price sensitive information is submitted to the Stock Exchange.

4.4 The trading window shall be opened 24 hours after the information referred in 4.2 is made public.

4.5 All Directors, Officers, Designated Employees of the Company shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.

5. Pre-clearance of trades

All Directors, Officers, Designated Employees and their dependants of the Company who intend to deal in the securities of the Company during free period in excess of 1000 Securities in number shall pre-clear the transactions as per the pre-dealing procedure as described hereunder. The Company Secretary is authorised to change the number of Securities from time to time.

5.1 Pre-dealing Procedure

An application for pre-clearance of trade may be made in Form 'A' to the Compliance Officer alongwith an undertaking shall be executed in favour of the Company by such Designated Employee, Director, Officer incorporating, inter alia, the following clauses, as may be applicable:

- a) that the designated employee / director/ officer does not have any access or has not received "Unpublished Price Sensitive Information" up to the time of signing the undertaking
- b) That in case the Designated Employee, Director, Officer has access to or receives "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he or she shall inform the Compliance officer of the change in his position and that he or she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- c) That he or she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
- d) That he or she has made a full and true disclosure in the matter.
- e) The Compliance Officer shall on receiving an application provide the Director, Officer, and Designated Employee with an acknowledgement on the duplicate of the application.
- f) The Compliance Officer shall grant approval within 2 days from the date of acknowledgement.
- g) The Compliance Officer shall retain copies of all applications and acknowledgements.
- h) In exceptional circumstances consent may not be given if the Compliance officer is of the opinion that the proposed deal is on the basis of possession of any unpublished Price sensitive information. There shall be no obligation to give reasons for any withholding of consent.
- i) If so requested by the Compliance Officer, Director, Officer, Designated Employee must ensure that his stockbroker is authorised to disclose to the Company all matters relevant to his share dealings.

5.2 Other Restrictions All Directors, Officers, Designated Employees and their dependents shall execute their order in respect of securities of the Company within one week after the approval of preclearances is given. If the order is not executed within one week after the approval is given, the Directors, Officers, and Designated Employees must pre clear the transaction again.

All Directors, Officers, Designated Employees who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transactions. All Directors, Officers, Designated employees shall also not take positions in derivative transactions in the shares of the Company at any time.

In the case of subscription in the primary market (Initial Public Offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

In case the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing his or her reasons in this regard. An application for waiver of holding period shall be made to the Compliance Officer in Form 'B'.

6. Reporting Requirements for transactions in securities

6.1 Initial Disclosures

Every Director, Officer and Designated Employee of a listed Company shall disclose to the Company, in Form 'C', the number of Shares or voting rights held and positions taken in derivatives by them and their dependents within 2 working days of becoming a Director or Officer or Designated Employee of the Company.

6.2 Continual Disclosures

(a) Every Director, Officer and Designated Employee of the Company shall disclose to the Company, in Form 'D', the number of shares or voting rights in the Company held by him and change in his shareholding or voting rights from the last disclosure made under this Clause or under Clause 6.1, if such change exceeds Rupees Five lakh in value or 25,000 shares or 1% of the total shareholding or voting rights, whichever is lower or any revised limits notified by SEBI from time to time.

"Change" means a net change arrived at after taking netting off purchases and sale of securities.

(b) The aforesaid disclosure has to be made within 2 working days of :-

- (i) the receipt of intimation of allotment of shares; or
- (ii) the acquisition or sale of shares or voting rights as the case may be

(c) The disclosures under this Clause shall be sent to the Compliance Officer/ Company Secretary of the Company.

6.3 Quarterly / Annual Disclosures

All Directors, Officers, Designated Employees dealing in the Securities of the Company shall be required to forward following details of their Securities transactions including the holdings of dependent to the Compliance officer:

- (a) All holdings in securities of the Company by Directors, Officers, Designated Employees at the time of joining the Company;
- (b) In respect of existing Directors, Officers, Designated Employees, all holdings in securities of the Company as on the date specified by the Company Secretary.
- (c) Statement of any transactions in securities of the Company, whether pre-clearance of trade was obtained or not, in Form 'D' on a quarterly basis within 10 days from the end of each quarter; and
- (d) Annual statement of all holdings in securities of the Company in Form 'E' as on March 31 of each year, before April 15 of that year.

6.4. Disclosure by the Company to Stock Exchanges

Within 2 days of the receipt of the information under Clause 6.2 of the Regulations, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received.

6.5 Records of disclosures received by the Company

The Compliance officer shall maintain records of all the declarations in the appropriate form given by the Directors, Officers, and Designated Employees for a minimum period of three years. The Compliance officer shall place before the Chairman, on a monthly basis all the details of the dealing in the securities by the Designated Employees, Directors, Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

7. Penalty for contravention of Code of Conduct

Any Director, Officer, Designated Employee who trades in securities or communicates any information for trading in securities, in contravention of the code of conduct may be penalised and appropriate action may be taken by the Company.

Directors, Officers, Designated Employees of the Company who violate this Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage salary freeze, suspension, withholding of promotions, etc.

The action by the Company shall not preclude SEBI from taking any action in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

8. Information to SEBI in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992

In case it is observed by the Company and / or Compliance Officer that there has been a violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992, SEBI shall be informed by the Company.

9. Forms

Forms mentioned in the code for various disclosures under the regulation are appended at the end.

7. Guidelines on corporate governance

Rationale for a Corporate Governance Framework

In an increasingly complex business environment influenced by globalisation and other rapid changes in the financial scene, good corporate governance is crucial to ensure that the business of a company is managed in a safe and sound manner.

Weak governance can undermine public confidence in a company as well as the markets in which it operates.

In India, directors of a company are required to promote the success of the company in the interests of its shareholders as a group.

Risk-based Supervision and Corporate Governance

The Board recognises that it plays a critical role in the successful operation. The Board is chiefly responsible for setting corporate strategy, reviewing managerial performance and maximising returns for shareholders at an acceptable level of risk, while preventing conflicts of interest and balancing competing demands on the company. Therefore, the effectiveness of the Board is a basic tenet of risk-based supervisory approach. While the Board may delegate to the management the responsibility for formulating sound and prudent policies and practices, it remains accountable and responsible for the company. This does not mean however that the Board should assume the role of the management. The management is accountable to the Board for the day-to-day conduct of the business and affairs of the company

Board Matters

1. Principle:

Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and the Management remains accountable to the Board.

Guidelines:

1.1 The Board's role is to:

- (a) provide entrepreneurial leadership, set strategic aims and ensure that the necessary financial and human resources are in place for the company to meet its objectives;
- (b) establish a framework of prudent and effective control which enables risk to be assessed and managed;
- (c) review management performance; and
- (d) set the company's values and standards and ensure that obligations to shareholders and others are understood and met.

1.2 All directors must objectively take decisions in the interests of the company.

1.3 If authority to make decisions on certain board matters is delegated by the Board to any Board Committee, such delegation would be disclosed.

1.4 The Board should meet regularly and as warranted by particular circumstances, as deemed appropriate by the board members. The number of board and board committee meetings held in the year, as well as the attendance of every board member at these meetings, would be disclosed in the company's annual report.

1.5 The company would specify in the corporate governance disclosures the type of material transactions that require board/board committee approval under these guidelines-

- (a) Making calls on shareholders in respect of money unpaid on their shares
- (b) Authorization to buy back referred to first proviso to clause (b) of sub-section (2) of Sec 77A
- (c) Issuance of debentures
- (d) Borrow money otherwise than on debentures
- (e) Invest the funds of the company
- (f) Making Loan

1.6 Every director would be familiar with the company's business and governance practices, before appointment.

1.7 Upon appointment of each director, the company would provide a formal letter to the director, setting out the director's duties and obligations.

Board Composition and Guidance

2. Principle:

There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

Guidelines:

- 2.1 The company would have an optimum combination of executive and non-executive directors with not less than fifty percent of the board of directors comprising of non-executive directors.
- 2.2 When the Chairman of the Board would be a non-executive director, at least one-third of the Board will comprise of independent directors and in case he is an executive director, at least half of the Board will comprise of independent directors.

Provided that where the non executive Chairman is a promoter of the Company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board, at least one-half of the Board of the Company shall consist of independent directors.

“ Explanation-For the purpose of the expression “related to any promoter” referred to in sub-clause (ii):

- (a) if the promoter is a listed entity, its directors other than the independent directors, its employees or its nominees shall be deemed to be related to it;
 - (b) if the promoter is an unlisted entity, its directors, its employees or its nominees shall be deemed to be related to it.”
- i. For the purpose of the sub-clause 2, the expression 'independent director' shall mean a nonexecutive director of the company who:
- a. apart from receiving director's remuneration, does not have any material pecuniary relationships or transactions with the company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the director;
 - b. is not related to promoters or persons occupying management positions at the board level or at one level below the board;
 - c. has not been an executive of the company in the immediately preceding three financial years;
 - d. is not a partner or an executive or was not partner or an executive during the preceding three years, of any of the following:
 - i. the statutory audit firm or the internal audit firm that is associated with the company, and
 - ii. the legal firm(s) and consulting firm(s) that have a material association with the company.
 - e. is not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect independence of the director; and
 - f. is not a substantial shareholder of the company i.e. owning two percent or more of the block of voting shares.

Explanation

For the purposes of the sub-clause (i) of 2.2:

- a. Associate shall mean a company which is an "associate" as defined in Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India.
- b. "Senior management" shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.
- c. "Relative" shall mean "relative" as defined in section 2(41) and section 6 read with Schedule IA of the Companies Act, 1956.
- d. Nominee directors appointed by an institution which has invested in or lent to the company shall be deemed to be independent directors.

Explanation:

"Institution" for this purpose means a public financial institution as defined in Section 4A of the Companies Act, 1956 or a "corresponding new bank" as defined in section 2(d) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 [both Acts]."

2.3 Non executive directors' compensation and disclosures

- 2.3.1 All fees/compensation, if any paid to non-executive directors, including independent directors, shall be fixed by the Board of Directors and shall require previous approval of shareholders in general meeting. The shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors, including independent directors, in any financial year and in aggregate.
- 2.3.2 Provided that the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 1956 for payment of sitting fees without approval of the Central Government.

2.4 Other provisions as to Board and Committees

- i. The board shall meet at least four times a year, with a maximum time gap of four months between any two meetings.
- ii. A director shall not be a member in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a director. Furthermore it should be a mandatory annual requirement for every director to inform the company about the committee positions he occupies in other companies and notify changes as and when they take place.

Explanation:

1. For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 25 of the Companies Act shall be excluded.
2. For the purpose of reckoning the limit under this sub-clause, Chairmanship/membership of the Audit Committee and the Shareholders' Grievance Committee alone shall be considered.
- iii. The Board shall periodically review compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non compliances.
- iv. An independent director who resigns or is removed from the Board of the Company shall be replaced with a new independent director within a period of not more than 180 days from the day of such resignation or removal , as the case may be:

Provided that the Company fulfills the requirement of the independent directors in the Board even without filling the vacancy created by such resignation or removal, as the case may be, te requirement of replacement by a new independent director within the period of 180 days shall not apply.

2.5 Code of Conduct

- 2.5.1 The Board has a code of conduct for all Board members and senior management of the company. The code of conduct has already been posted on the website of the company.
- 2.5.2 All Board members and senior management personnel shall affirm compliance with the code on an annual basis. The Annual Report of the company shall contain a declaration to this effect signed by the CEO/CFO.

Explanation:

For this purpose, the term "senior management" shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

Accountability And Audit

3. Principle:

The Board would present a balanced and understandable assessment of the company's performance, position and prospects.

Guidelines:

- 3.1 The Board's responsibility to provide a balanced and understandable assessment of the company's performance, position and prospects extends to interim and other price sensitive public reports, and reports to regulators (if required).

- 3.2 The Management would at regular intervals provide all members of the Board with management accounts which present a balanced and understandable assessment of the company's performance, position and prospects.

Audit Committee

4. Principle:

The Board would establish an Audit Committee ("AC") with written terms of reference which clearly sets out its authority and duties.

4.1 Qualified and Independent Audit Committee

4.1 The company shall have a qualified and independent audit committee with following terms of reference:

- i. The audit committee shall have minimum three directors as members. Two-thirds of the members of audit committee shall be independent directors.
- ii. All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.

Explanation 1:

The term "financially literate" means the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

Explanation 2:

A member will be considered to have accounting or related financial management expertise if he or she possesses experience in finance or accounting, or requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

- iii. The Chairman of the Audit Committee shall be an independent director;
- iv. The Chairman of the Audit Committee shall be present at Annual General Meeting to answer shareholder queries;
- v. The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the company. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee;
- vi. The Company Secretary shall act as the secretary to the committee.

4.2 Meeting of Audit Committee

The audit committee should meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there should be a minimum of two independent members present.

4.3 Powers of Audit Committee

The audit committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

4.4 Role of Audit Committee

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same

- c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
 6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue(public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in the matter.
 7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department,
 9. Staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 10. Discussion with internal auditors any significant findings and follow up there on.
 11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 14. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation i : The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation ii : If the company has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

4.5 Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

Internal Controls

5. Principle:

The Board would ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

Guidelines:

5.1 The Audit Committee would review the adequacy of the company's internal financial controls, operational and compliance controls, and risk management policies and systems established by the Management (collectively "internal controls"). The Audit Committee would ensure that a review of the effectiveness of the company's internal controls is conducted at least annually. Such review can be carried out by the internal and/or chartered accountants, provided that where the chartered accountant is also the external auditor of the company, the AC should satisfy itself that the independence of the chartered accountant is not compromised by any other material relationship with the company.

5.2 The Board should comment on the adequacy of the internal controls, including financial, operational and compliance controls, and risk management systems in the company's annual report.

5.3 An empowered New Product and Services group/Committee shall be constituted to look into various aspects of introducing new products or services and sign off the product guidelines for roll out to customers and amendments thereon. Charter for such group/committee shall be put in place.

Internal Audit

6. Principle:

The company would establish an internal audit function that is independent of the activities it audits.

Guidelines:

6.1 The Internal Auditor's primary line of reporting should be to the AC although the Internal Auditor would also report administratively to the Board of the company.

6.2 The Internal Auditor would meet or exceed the standards set by nationally or internationally recognised professional bodies.

6.3 The AC will ensure that the internal audit function is adequately resourced and has appropriate standing within the company. For the avoidance of doubt, the internal audit function can either be in-house, outsourced to a reputable accounting/auditing firm, or performed by a major shareholder, holding company, parent company or controlling enterprise with an internal audit staff.

6.4 The AC should, at least annually, ensure the adequacy of the internal audit function.

6.5 Risk based internal audit shall be carried out and necessary strategy and operating guidelines shall be put in place.

6.6 Wherever necessary, internal committee of senior executives would be formed to help, assist and supplement the Audit Committee of Board in discharging its role effectively. Charter for such committee would be put in place by the company.

7. Subsidiary Companies

7.1.1 At least one independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of a material non listed Indian subsidiary company.

7.1.2 The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.

7.1.3 The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the listed holding company. The management should periodically bring to the attention of the Board of Directors of the listed holding company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.

Explanation 1:

The term "material non-listed Indian subsidiary" shall mean an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Explanation 2:

The term "significant transaction or arrangement" shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the material unlisted subsidiary for the immediately preceding accounting year.

Explanation 3:

Where a listed holding company has a listed subsidiary which is itself a holding company, the above provisions shall apply to the listed subsidiary insofar as its subsidiaries are concerned.

Nomination Committee

8. Principle:

There would be a formal and transparent process for the appointment of new directors to the Board.

Guidelines:

8.1 Companies would establish a Nominating Committee ("NC") to make recommendations to the Board on all board appointments. The NC should comprise of at least three directors, a majority of whom, including the Chairman, should be independent. The membership of the committee members and Chairman would be disclosed in the annual report. The NC would have written terms of reference that describe the responsibilities of its members.

8.2 The NC would be charged with the responsibility of re-nomination having regard to the director's contribution and performance (e.g. attendance, preparedness, participation and candour) including, if applicable, as an independent director. All directors would be required to submit themselves for de-nomination and re-election at regular intervals and at least every three years.

8.3 The NC is charged with the responsibility of determining annually if a director is independent, bearing in mind the circumstances set forth in Guideline

8.4 When a director has multiple board representations, he or she must ensure that sufficient time and attention is given to the affairs of each company. The NC would decide if a director is able to and has been adequately carrying out his/her duties as director of the company.

8.5 A description of the process for the selection and appointment of new directors to the Board would be disclosed.

8.6 Key information regarding directors, such as academic and professional qualifications, shareholding in the company and its subsidiaries, board committees served on (as a member or Chairman), directorships or chairmanships held in other listed companies and other major appointments, would be disclosed in the annual report. In addition, the company's annual disclosure on corporate governance would indicate which directors are executive, non-executive.

Additional Guidelines

In reviewing nominations, the NC would satisfy itself that each nominee is fit and proper, and is qualified for the office. The NC would maintain records of all its meetings, in particular records of discussions on key deliberations and decisions taken.

The Board would carry out succession planning for itself and the Chairman to ensure continuity of leadership.

Effectiveness Of Board**9. Principle:**

There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

Guidelines:

9.1 The NC will-

- Evaluate the current composition, organization and governance of the Board and its committees, as well as determine future requirements and make recommendations to the Board for approval.
- Determine on an annual basis, desired Board qualifications, expertise and characteristics, and conduct searches for potential Board members with corresponding attributes. Evaluate and propose nominees for election to the Board.
- Oversee the Board performance evaluation process including conducting surveys of director observations, suggestions and preferences.
- Form subcommittees and delegate authority to them when appropriate.
- Evaluate and make recommendations to the Board concerning the appointment of directors to Board committees, the selection of Board committee chairs, and the Board members eligible for reappointment.
- Evaluate and recommend termination of membership of individual directors in accordance with the Board's governance principles, for cause or for other appropriate reasons.
- Conduct an annual review on succession planning, report its findings and recommendations to the Board, and work with the Board in evaluating potential successors to executive management positions.
- Coordinate and approve Board and committee meeting schedules.
- Make regular reports to the Board.

- Review and re-examine this charter annually and make recommendations to the Board for any proposed changes.
- Annually review and evaluate the committee's performance.

Additional Guideline

The performance criteria proposed by the NC would include other qualitative measures such as setting of strategic directions and achievement of strategic objectives, quality of risk management and adequacy of internal controls. Performance criteria would reflect the responsibility of the Board to safeguard the interests of the depositors and policyholders.

9.2 The Nomination Committee would maintain records of all its meetings, in particular records of discussions on key deliberations and decisions taken.

Remuneration Committee

10. Principle:

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Guidelines:

10.1 The Board would set up a Remuneration Committee ("RC") comprising entirely of non-executive directors, the majority of whom, including the Chairman, would be independent. This is to minimize the risk of any potential conflict of interest.

10.2 The RC will recommend to the Board a framework of remuneration, and the specific remuneration packages for each director and the Chairman. The RC's recommendations would be submitted for endorsement by the entire Board. The RC would cover all aspects of remuneration, including but not limited to director's fees, salaries, allowances, bonuses, options, and benefits in kind. The RC will also review the remuneration of senior management.

Disclosure Of Remuneration Policy

11. Principle:

The company would provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It would provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

Guidelines:

11.1 The company should report to the shareholders each year on the remuneration of directors of the company. This annual remuneration report should form part of, or be annexed to the company's annual report of its directors. It should be the main vehicle through which the company reports to shareholders on remuneration matters. The members of the RC should be listed in the report.

11.2 For transparency, the annual report should disclose the same details of remuneration of employees whose remuneration exceed Rs. 200000/- per month during the year/part of the year.

11.3 The report would also contain details of employee share schemes to enable their shareholders to assess the benefits and potential cost to the company. The important terms of the share schemes, including the potential size of grants, methodology of valuing stock options, exercise price of options that were granted as well as outstanding, whether the exercise price was at the market or otherwise on the date of grant, market price on the date of exercise, the vesting schedule, and the justifications for the terms adopted, would be disclosed.

Additional Guidelines

The Board would seek to ensure that the remuneration policies are in line with the strategic objectives and corporate values and do not give rise to conflicts between the objectives and the interests of individual directors and key executives.

11.4 The RC would maintain records of all its meetings, in particular records of discussions on key deliberations and decisions taken.

Access To Information

12. Principle:

In order to fulfil their responsibilities, Board members would be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

Guidelines:

12.1 Management has an obligation to supply the Board with complete, adequate information in a timely manner. Relying purely on what is volunteered by Management is unlikely to be enough in all circumstances and further enquiries may be required if the particular director is to fulfil his or her duties properly. Hence, the Board should have separate and independent access to the company's senior management.

12.2 Information provided would include background or explanatory information relating to matters to be brought before the Board, copies of disclosure documents, budgets, forecasts and monthly internal financial statements. In respect of budgets, any material variance between the projections and actual results should also be disclosed and explained.

12.3 Directors would have separate and independent access to the company secretary. The role of the company secretary would be defined and include responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with. Under the direction of the Chairman, the company secretary's responsibilities include ensuring good information flows within the Board and its committees and between senior management and non-executive directors, as well as facilitating orientation and assisting with professional development as required.

12.4 The appointment and the removal of the company secretary will be a matter for the Board as a whole.

12.5 The Board would have a procedure for directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the company's expense.

Additional Guideline

Management would provide the Board with information on all potentially material risks facing the business, e.g., credit, market, liquidity, legal and operational risks.

Communication With Shareholders**13. Principle:**

Companies would engage in regular, effective and fair communication with shareholders.

Guidelines:

13.1 Companies would regularly convey pertinent information, gather views or inputs, and address shareholders' concerns. In disclosing information, companies should be as descriptive, detailed and forthcoming as possible.

13.2 Companies would disclose information on a timely basis. Where there is inadvertent disclosure made to a selected group, companies should make the same disclosure publicly to all others as soon as practicable. This could be through the use of modern technology such as Internet websites.

Shareholders Participation**14. Principle:**

Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

Guidelines:

14.1 Shareholders will have the opportunity to participate effectively and to vote in AGMs. They will be allowed to vote in person or through a proxy.

14.2 There would be separate resolutions at general meetings on each substantially separate issue.

14.3 The chairpersons of the Audit, Nomination and Remuneration committees would be present and available to address questions at general meetings. The Statutory auditors would also be present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report.

Additional Principles and Guidelines**Risk Management Committee****15. Principle:**

The Board would ensure that there is a robust risk management system

Guidelines:

15.1 The Risk Management Committee would oversee the establishment and operation of the risk management system, including reviewing the adequacy of risk management practices for the material risks, such as credit, market, liquidity, legal compliance regulatory and operational risks, on a regular basis.

15.2 Depending on the scale, nature and complexity of its business, the Board or the Risk Management Committee should establish a separate risk management function responsible for monitoring and managing the risks that the Financial Institution faces. The organisation and responsibilities of the risk management function should be documented.

15.3 Risk Management Committee interalia has to:

1. formulate policy on risk assessment and minimisation procedures and to ensure that executive management controls risk through means of a properly defined framework.
2. determine the policy on specific risks associated with the Company covering all the areas in relation to market risk, competition risk, credit risk, interest rate risk, human resource risk, operation risk, economic risk.
3. report to the Board of Directors/ Audit Committee at regular intervals the progress made in putting in place a progressive risk management system, and risk management policy and strategy followed, and
4. conform to corporate governance standards relating to risk associated with the Company so as to protect the interest of stakeholders.
5. The Risk Management Committee would maintain records of all its meetings, in particular records of discussions on key deliberations and decisions taken.

Related Party Transactions

17. Principle:

The Board would ensure that related party transactions are undertaken on an arm's length basis.

Guidelines:

17.1 A statement in summary form of transactions with related parties in the ordinary course of business shall be placed periodically before the AC.

17.2 Details of material individual transactions with related parties, which are not in the normal course of business, shall be placed before the AC.

17.3 The Board ensures that established control processes are not overridden to accommodate related parties and individuals. The AC would review all material related party transactions and keep the Board informed of such transactions.

17.4 Related party transactions would be monitored with particular care, and appropriate steps taken to control or mitigate the risks of related party lending. The terms and conditions of such credits should not be more favourable than credit granted to non-related obligors under similar circumstances.

17.5 Details of material individual transactions with related parties or others, which are not on an arms length basis, should be placed before the audit committee, together with Management's justification for the same.

18. Specific Disclosures Of Corporate Governance

18.1 Where in the preparations of financial statements, a treatment different from that prescribed in an Accounting standard has been followed, the fact shall be disclosed in the financial statements, together with the management's explanation as to why it believes such alternative treatment is more representative of the true and fair view of the underlying business transaction in the Corporate Governance Report.

18.2 Delegation of authority, by the Board to any Board Committee, to make decisions on certain board matters.

18.3 The number of board and board committee meetings held in the year, as well as the attendance of every board member at these meetings.

18.4 The type of material transactions that require board approval under internal guidelines.

18.5 Where the company considers a director to be independent in spite of the existence of a relationship as stated in the Code that would otherwise deem him as non-independent, the nature of the director's relationship and the reason for considering him as independent should be disclosed.

18.6 Composition of nominating committee, its meetings during the year and the Board comments on its performance.

18.7 Key information regarding directors, which directors are executive, non-executive or considered by the nominating committee to be independent.

18.8 Process for assessing the effectiveness of the Board as a whole and the contribution of each individual director to the effectiveness of the Board.

18.9 Clear disclosure of its remuneration policy, level and mix of remuneration, procedure for setting remuneration and link between remuneration paid to directors and key executives, and performance.

18.10 Composition of remuneration committee, its meetings during the year and the Board comments on its performance, Names and remuneration of each director.

18.11 Composition of audit committee, its meetings during the year and the Board comments on its performance, Names and remuneration of each director.

18.12 Adequacy of internal controls, including financials, operational and compliance controls, and risk management systems.

18.13 Composition of Shareholders Grievance committee, its meetings during the year and the Board comments on its performance, Names and remuneration of each director.

18.14 Composition of Risk Management Committee, its meetings during the year and the Board comments on its performance, Names and remuneration of each director.

Form A
(to be submitted in duplicate)
**Application for Pre-clearance of Trade under SEBI
(Prohibition of Insider Trading) Regulations, 1992**

The Compliance Officer
Reliance MediaWorks Limited
Through Division / Department Head

1	Name of the applicant	:	
2	Designation	:	
3	Employee Pay Roll	:	
4	Number and value of securities in the Company held as on date (with folio/DP ID/Client ID No.)	:	
5	Nature of securities held	:	*Equity Shares/Debentures/Other Securities
6	Mode in which the securities are held	:	
7	The Proposal is for	:	(a) Acquisition in the open market (b) subscription to the securities (c) sale of securities
8	Proposed date of dealing in securities	:	
9	Nature of proposed dealing	:	Purchase/Sale of securities
10	Estimated number of securities proposed to be acquired/subscribed/sold	:	
11	Price at which the transaction is proposed	:	
12	Current market price (as on the date of application)	:	
13	Whether the proposed transaction will be through stock exchange or off market deal	:	
14	Proposed mode of dealing in securities	:	Physical/Dematerialised
15	If securities are held/proposed to be dealt in dematerialized form	:	
	Name of the Depository DP ID Number Client ID number	:	

In relation to the above Dealing, I undertake that :

- a. I have no access to nor do I have any information that could be construed as "Price Sensitive Information" as defined in the Code upto the time of signing this undertaking;
- b. In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public;
- c. I have not contravened the provisions of the code of conduct for prevention of insider trading as notified by the Company from time to time;
- d. I have made full and true disclosure in the matter.
- e. I hereby declare that I shall execute my order in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, I undertake to obtain pre-clearance for the transaction again.

Signature

Place: _____

Date: _____

**strike whichever is not applicable*

Pre-clearance order

This is to inform you that your request for dealing in _____ (numbers) shares of the Company as mentioned in your abovementioned application is approved.

Please note that the said transaction must be completed on or before _____ (date), that is within one week from today.

For Reliance MediaWorks Limited

Compliance Officer

Date:

=====

Confirmation of deal

To,

The Compliance Officer

I confirm that the share dealing for which approval was granted on _____ was completed on _____ to purchasing / selling _____ (numbers) equity shares of the Company.

Employee Name :

Designation :

Pay Roll No. :

Form B

Application for waiver of minimum holding period

Date : _____

The Compliance Officer
Through Division / Department Head

Dear Sir,

I request you to grant me waiver of the minimum holding period of 30 days as required under clause 5.2 of the Code of Conduct for prevention of insider trading with respect to _____
_____ shares of the Company held by me / _____
(name of relative) singly / jointly acquired by me on _____ (Date). I desire to deal in
the said shares on account of _____
(give reasons).

Thanking you,
Yours faithfully,

(Name)
(Designation)
(Department)
Reliance MediaWorks Limited

FORM - C

(Form for Initial Disclosure)

To
The Compliance Officer
Reliance MediaWorks Limited
Filmcity Complex,
Goregaon (East), Mumbai - 400 065

Date : _____

I Quarterly Statement of Shareholdings of Director¹ / Officer¹ / Designated Employee¹ / Connected Person^{1 & 2}

Name	Designation 2	Department /	No. of shares held Date of joining	Folio No. / DP ID/ CLID.

II Details of Shares held by Relatives³ / Dependent Family Members⁴ (as applicable)

Name of Relative	Relationship	No. of shares held	Folio No. / DP ID/ CLID.

Signature_____

- 1. Delete whichever is not applicable
- 2. Connected person should mention the nature of association.
- 3. Applicable to Director
- 4. Applicable to Officer/ Designated Employee and Connected Person

FORM - D
(Quarterly Statement)

To
The Compliance Officer
Reliance MediaWorks Limited
Filmcity Complex,
Goregaon (East), Mumbai - 400 065

Date : _____

I Quarterly Statement of Shareholdings of Director¹ / Officer¹ / Designated Employee¹ / Connected Person^{1 & 2}

Name	Designation	Department	No. of shares held on 1st day of quarter	No. of shares bought during the quarter	No. of shares sold during the quarter	No. of shares held on last day of quarter

II Details of Shares held by Relatives³ / Dependent Family Members⁴ (as applicable)

Name of Relative	Relationship	No. of shares held on 1st day of quarter	No. of shares bought during the quarter	No. of shares sold during the quarter	No. of shares held on last day of quarter

I / We declare that I / We have complied with the requirements of minimum holding period of 30 days with respect to the shares sold - (yes/no/na)¹

(Signature)

1. Delete whichever is not applicable
2. Connected person should mention the nature of association.
3. Applicable to Director
4. Applicable to Officer/ Designated Employee and Connected Person

Form E
(Annual disclosure)

To
The Compliance Officer
The Compliance Officer
Reliance MediaWorks Limited
Filmcity Complex,
Goregaon (East), Mumbai - 400 065

Date : _____

I Quarterly Statement of Shareholdings of Director¹ / Officer¹ / Designated Employee¹ / Connected Person^{1 & 2}

Name	Designation Department	No. of shares held on April 1, _____	No. of shares bought during the year	No. of shares sold during the year	No. of shares held as on March 31, _____	Folio No./DP ID/ Client ID

II Details of Shares held by Relatives³ / Dependent Family Members⁴ (as applicable)

Name of Relative	Relationship	No. of shares held on April 1, _____	No. of shares bought during the year	No. of shares held as on March 31, _____	Folio No./DP ID/ Client ID

I / We declare that I / We have complied with the requirements of minimum holding period of 30 days with respect to the shares sold - (yes/no/na)

(Signature)

1. Delete whichever is not applicable
2. Connected person should mention the nature of association.
3. Applicable to Director
4. Applicable to Officer/ Designated Employee and Connected Person

Form F
(Disclosure of change in holding)

To
The Compliance Officer
Reliance MediaWorks Limited
Filmcity Complex,
Goregaon (East), Mumbai - 400 065

Date : _____

I Quarterly Statement of Shareholdings of Director¹ / Officer¹ / Designated Employee¹ / Connected Person^{1 & 2}

Name	Department Designation	Name of the Transaction				Date of Transaction	No. of Shares Transacted	Whether Approval Obtained	Approval No.	Balance Holding on	Folio No. / DP ID CL ID
		No of shares held before the transaction	Purchase	Sale	Others (specify)						

II Details of Shares held by Relatives³ / Dependent Family Members⁴ (as applicable)

Name of the Relative	Relation	Name of the Transaction				Date of Transaction	No. of Shares Transacted	Whether Approval Obtained	Approval No.	Balance Holding on	Folio No. / DP ID CL ID
		No of shares held before the transaction	Purchase	Sale	Others (specify)						

I / We declare that I / We have complied with the requirements of minimum holding period of 30 days with respect to the shares sold - (yes/no/na)

(Signature)

1. Delete whichever is not applicable
2. Connected person should mention the nature of association.
3. Applicable to Director
4. Applicable to Officer/ Designated Employee and Connected Person