

CODE OF CONDUCT

INTRODUCTION

The Company believes that good governance is voluntary and self-disciplining with the strongest impetus coming from Directors and the Management itself, and ultimately leading to paramount satisfaction to all the stakeholders.

In pursuit of the same, this Code of Conduct encourages the Board of Directors and the Senior Management of the Company to strive to achieve highest standards of Corporate Governance by setting new levels of excellence, integrity, transparency and fairness. The matters covered in this Code are of utmost importance to the Company, our shareholders and our business partners. This Code is intended to be implemented as Talbros Code of Conduct drawn in pursuance to Clause 49 I (E) of the 'Listing agreement'.

This Code is applicable to the following persons (hereafter referred to as 'Officers'):

- The Board of Directors,
- Senior Managerial Personnel.

Accordingly, Officers are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with:

- All applicable laws;
- Rules and Regulations;
- All applicable policies adopted by the Company that govern the conduct of its employees and associates.

The principles described in this Code are general in nature and in case of any query or clarification, the Officers may contact Ms. Seema Narang (seema_narang@talbros.com).

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□ **HONEST AND ETHICAL CONDUCT**

All officers are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working in the Company's premises, at off-site locations where the business of the Company is conducted, at Company sponsored business and social events, or at any other place where Officers are representing the Company.

We consider honest conduct to be conduct that is free from fraud or deception, and ethical conduct to be a conduct conforming to the generally accepted professional standards of conduct.

□ **DUTY OF CARE AND SKILL**

Officers shall display good faith towards the Company. They shall take utmost care, skill and diligence in the exercise of their powers and functions of the Company.

□ **TRUSTEESHIP**

Officers shall act as trustees towards the properties, money, trade secrets and other items of intellectual property, the existence or particulars of which may be within their personal knowledge by virtue of their position as directors and/ or Senior managerial personnel of the Company.

□ **DUTY TO SPEND MONEY ONLY FOR BUSINESS PURPOSES**

Officers shall spend Company's money only for purposes, which are reasonable and incidental to the carrying on of the business of the Company.

□ **NOT TO MAKE SECRET PROFITS**

Officers stand in fiduciary relationship with the Company and therefore shall not make any secret profits, and if any made, should account for the profit so made by making disclosure of the same to the Board at their earliest.

□ **NOT TO EXERCISE POSITION FOR PERSONAL BENEFIT**

Officers shall protect Company's interest and shall not utilize their position and knowledge possessed by them by virtue of their office, to the detriment of the Company's interest and for their personal benefit.

□ **NOT TO COMPETE WITH THE BUSINESS OF THE COMPANY**

Officers shall not compete either directly or by establishing a personal rival business or indirectly by becoming a partner in a firm or director in a Company.

□ **CORPORATE OPPORTUNITIES**

Officers shall not exploit for their personal gain, opportunities that are discovered through the use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines to pursue such opportunity.

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□ **RELATED PARTIES**

As a general rule, officers should avoid conducting Company business with a relative, or with a business in which relative is associated in any significant role. However, transactions if any carried out with the related companies attracting the provisions of Section 297 of the Companies Act, 1956 shall be approved by the Board.

Further, the Company prohibits the employment of relatives of the Senior Managerial Personnel in positions within the same Company.

□ **PAYMENTS OR GIFTS FROM OTHERS**

A casual exchange of meals and token gifts is a widespread and generally harmless custom when done in moderation. Generally, it is appropriate for the host to pay for a meal. If this is not practical, then the host should ensure that meal purchases are equal, over time. A limit of Rs. 2000/- is acceptable for gifts. If refusal to accept a present offends the other party, then the gift should be acknowledged and if its value exceeds Rs. 2000/-, it should be reported to the Officer's superior. Officers should not accept discounts on personal goods that are linked to actual or potential business dealings.

□ **TO DISCLOSE INFORMATION TO SHAREHOLDERS**

The crucial information in possession with the Officers should be disclosed to shareholders, wherever it is necessary and required to be disclosed to them under any law of the country.

□ **TO ACQUIRE KNOWLEDGE OF COMPANY'S BUSINESS**

Officers shall have continued duty to acquire and maintain sufficient knowledge and understanding of the Company's business to enable them to properly discharge their duties.

□ **TO TAKE ACTION AGAINST MISAPPROPRIATION OF FUNDS**

Immediately on notice, Officers shall take all the necessary steps to prevent any misappropriation of funds of the Company.

□ **NOT TO DISCLOSE CONFIDENTIAL INFORMATION**

Officers shall not disclose confidential information of their Company, which may be detrimental to the interests of the Company.

□ **NOT TO PERFORM ANY ULTRA VIRES ACT**

It shall be the duty of the Officers not to perform any act ultra-vires the Companies Act, 1956, Memorandum and Articles of Association of the Company, including any other Law of land for the time being in force.

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□ **DISCLOSURES TO THE BOARD**

Officers should make disclosures to the Board relating to all material financial and commercial transactions, where they have personnel interest, they may have a potential conflict with the interest of the company at large.

□ **COMPLIANCE WITH GOVERNMENTAL LAWS, RULES AND REGULATIONS**

Officers must comply with all applicable governmental laws, rules and regulations. Officers must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the secretarial/ finance departments. Violations of applicable governmental laws, rules and regulations may subject Officers to individual civil or criminal liability, as well as subject the Company to civil or criminal liability.

WAIVERS AND AMENDMENTS

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved by the Company's Board of Directors and promptly disclosed on the Company's website and in regulatory filings pursuant to applicable laws and regulations.