

# **SAI CAPITAL LIMITED**

Registered Office: G-25, Ground Floor, Rasvilas Salcon, D-1, Saket District Centre Saket  
New Delhi South Delhi – 110017

CIN: L74110DL1995PLC069787

E-Mail: [cs@saicapital.co.in](mailto:cs@saicapital.co.in) Website: [www.saicapital.co.in](http://www.saicapital.co.in)

## **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT**

## **Introduction**

This Code of Conduct for Board Members and Senior Management ('Code') outlines the standards of business conduct laid down by Sai Capital Limited (hereinafter referred to as 'Company'). This Code is applicable to all Directors and Employees ("Representatives") of the Company.

To run its business effectively, transparently and with due accountability, the Company has developed this Code of Conduct for Board members and Senior Management to be followed by all Representatives for carrying out their duties and responsibilities, as has been articulated and emphasized in the Vision, Core Values and Guiding Principles of the Company (Annexure A).

This code has been designed by the Company in line with the 8 Guiding Principles, namely–

1. Value Creation,
2. Transparency,
3. Personal Conduct,
4. Learning & Development,
5. Creativity & Innovation,
6. Environment, Safety & Health,
7. Responsible Corporate Citizen,
8. Confidentiality

to deter wrongdoing and to promote the following:

1. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
2. Full, fair, accurate, timely, and understandable disclosure in reports and documents and in other public communications;
3. Compliance with applicable governmental laws, rules and regulations;
4. Prompt internal reporting to an appropriate person or persons identified in this policy; and
5. Accountability for adherence to the policy.

## **I. Representatives' Responsibilities to the Company**

### **a.) General Standards of Conduct**

All Representatives are required to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct. Honest conduct is the conduct that is free from any fraud, deception, malice and indiscipline. Ethical conduct is the conduct conforming to the accepted professional standards of conduct and shall include ethical handling of actual or apparent conflicts of interest between personal and professional relationships. The employees are required to be aware of and be compliant with all Company policies and procedures applicable in the performance of the day-to-day activities. They should also be vigilant of any non-compliance and report such non-compliance as per this Code.

In addition, Section 149(8) of the Companies Act, 2013 ("the Act") provides that the Company and Independent Directors\* shall abide by the provisions specified in Schedule IV to the Companies Act, 2013. Section 166 of the Act provides various duties to be performed by the Directors. Directors, including Independent Directors, shall abide by the provisions of the provisions of the Act, including relevant rules thereto, as may be amended from time to time.

\* A Director will be “Independent Director”, as mentioned in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

**Duties of Directors as per Section 166 of the Act are as under:**

Director shall: -

- act in accordance with the articles of the Company.
- act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- not assign his office and any assignment so made shall be void.

Section 149(8) of the Companies Act, 2013, provides that the Company and the Independent Directors shall have to abide by the provisions specified in the “Code for Independent Directors” (‘the Code’). The Code is a guide to professional conduct for Independent Directors. The Code provides for (i) Guidelines of Professional Misconduct; (ii) Roles and Functions; (iii) Duties; (iv) Manner of Appointment; (v) Re-appointment; (vi) Resignation or Removal; (vii) Separate Meetings; (viii) Evaluation Mechanism.

Duties of Independent Directors are as under:

The Independent Directors shall—

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- strive to attend all meetings of the Board of Directors and of the Board Committees of which he is a member;
- participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meetings of the company;
- where they have concerns about the running of the company or a proposed action, ensure that these concerns are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- keep themselves well informed about the company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- report concerns about unethical behaviour, actual or suspected fraud or violation of the company’s code of conduct or ethics policy;

- acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

#### **b.) Conflict of Interest**

Conflict of interest is a basic concept of business ethics. It exists where the interests or benefits of an employee or a business associate are in conflict, directly or indirectly, with the interests or benefits of the Company. In consideration of employment with the Company, all employees are expected to devote full attention to the business interests of the Company. Employees are prohibited from engaging in any activity that interferes with their performance or responsibilities in the Company or is otherwise in conflict with, or prejudicial to the interest of the Company.

Don'ts:

- Do not work or consult for a business doing work similar to the job.
- Do not use Company resources other than for business use.
- Do not use any information, property, resources obtained during the course of business for personal purposes
- Do not take up any business opportunity (relevant to the line of business pursued or intended to be pursued by the Company) or direct the opportunity that is discovered through the use of corporate property, information or position to a third party unless the Company has already been offered the opportunity and it has turned it down

#### **c.) Regulatory and Policy Compliance**

The Company is devoted to maintaining high standards of corporate governance and integrity to ensure enhancement of stakeholder value through growth and business development. The four major elements of Regulatory and Policy Compliance are:

- Compliance with applicable laws, rules and regulations in letter and spirit in all areas in which the Company operates
- Compliance with the Company's policies and Procedures

All representatives are expected to be aware of the legal and policy requirements and internal controls that apply to their activity. They are responsible for:

- Keeping accurate financial records for all their transactions, forecasts and business assessments
- Safeguarding Company's assets that are entrusted to them
- Support the organization in complying with all the laws and regulations
- Perform day-to-day activities in accordance with the Company's policies

#### **d.) Community services**

The Company encourages all employees to participate in community service. It does not discriminate in favour of or against employees based on the organizations and/or because they choose to support.

The employees are required to plan any community activities outside of normal working hours. For events scheduled during work hours, the employees are required to make advance arrangements and obtain approvals from their immediate supervisor for any time off. The immediate supervisor may disallow leave for business reasons.

Employees are restricted from donating Company resources or performing activities, such as making calls, making copies or supplying paper or other stationary items, for personal community activities. Employees are prohibited from using Company's stationery or official e- mail ID for all non-official communication or correspondence.

**e.) Corporate social responsibility**

Being dedicated to Nation and the Social Environment, the Company touches the lives of many through its many corporate social responsibility initiatives like healthcare facilities, education facilities, etc.

The Company is committed to serve the community around its area of operations. It believes that no organization can survive in isolation and it has a responsibility towards public at large. The Company aims to reach out to the neighbouring communities, conserve the environment and nurture young people. It shall take requisite community development initiatives around the areas of its operations.

Representatives are required to participate in community services as directed by the Company. While participating in community service activities and events, the representatives must not influence the Company to make donations or contributions to community of his / her personal choice.

**f.) Diversity**

The Company's vision is based on inspiring and unleashing creative potential. In this direction, the Company treats all employees in all aspects of employment solely on the basis of their ability irrespective of race, colour, caste, creed, religion, age, disability, gender, sexual orientation and marital status. It does not discriminate in hiring, promoting, training or terminating people on the basis of the factors mentioned above. Representatives are expected to share and respect this vision.

**g.) Safe Work environment**

The Company shall not compromise in its commitment to environment, health and safety and be responsible for maintaining and providing a safe work environment. Health and safety of the people in and around its area of operations are of paramount importance. The Company is committed to environment protection, pollution control and maintenance of ecological balance and shall maintain high standards of pollution control, environment protection and safety.

The Company shall provide good physical working conditions and encourage high standards of hygiene and housekeeping. The Company aims to provide a work environment that is safe, secure and free of threats and violence.

Employees who by themselves, or in collusion with others, threaten or commit acts of violence will be subjected to disciplinary action.

Do's

All employees should do the following:

- Look for ways to conserve energy and recycle materials.
- Understand governmental environment, health and safety regulations that apply to their job.
- Take precautions to prevent injuries to themselves and other Company employees.
- Report injuries, unsafe work conditions or threats of violence to the safety department.
- Conduct operations in a manner that safeguards health and minimizes risk of employee injury and property loss.
- Be prepared for emergencies that may occur.
- Keep records as required by regulations and industry standards.

Don'ts

- Employees not to commit or threaten acts of violence.
- The Company does not permit consumption by employees of any kind of illegal drugs, alcohol, or prohibited substances within the Company's part of Company's property, including parking areas.

#### **h.) Alcohol and Substance Abuse**

The Company views alcohol and substance abuse very seriously and takes a tough stand against it. Representatives are not permitted to report to work or conduct business on its property or operate any equipments, machines or vehicles while under the influence of alcohol or controlled substances. This also applies to any other work site where employees are assigned during work. In addition, the policy forbids Representatives from misusing substances, selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs and alcohol in its premises. Smoking is strictly banned in the Company's premises and other 'No Smoking' areas across the facility.

#### **i.) Harassment**

The Company shall not tolerate racial, sexual, physical or other kind of harassment. It shall investigate, promptly and thoroughly, all allegations of harassment. An employee's behaviour must be conducive in promoting a harmonious work environment. An employee must not conduct himself / herself in a manner that is uncomfortable or unacceptable to others.

##### **Sexual harassment**

Sexual harassment would mean and include any of the following:

- i. unwelcome sexual advances, requests or demand for sexual favours, either explicitly or implicitly, in return for employment, promotion, examination or evaluation of a person towards any company activity;
- ii. unwelcome sexual advances involving verbal, non-verbal, or physical conduct such as sexually coloured remarks, jokes, letters, phone calls, e-mail, gestures, showing of pornography, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs, verbal or non-verbal communication which offends the individual's sensibilities and affect her/his performance;
- iii. eve teasing, innuendos and taunts, physical confinement against one's will and likely to intrude upon one's privacy;
- iv. act or conduct by a person in authority which creates the environment at workplace hostile or intimidating to a person belonging to the other sex;
- v. conduct of such an act at work place or outside in relation to an Employee of TPC, or vice versa during the course of employment; and
- vi. any unwelcome gesture by an employee having sexual overtones

The employee may report such incidences either through Whistle-blower Mechanism.

##### **Other types of Harassment**

Harassment on the basis of race, colour, creed, religion, national origin, ancestry, citizenship, gender, sexual orientation, age or disability or harassment on any grounds, directed against individuals, may be established by showing conduct towards another person that has the purpose of creating an intimidating, hostile or demeaning environment and that interferes with his or her ability to participate in or to realize the intended benefits of an institutional activity, employment or resource.

The employee may report such incidences through Whistle-blower Mechanism.

#### **j.) Dress Code**

The employees are an ambassador of the Company in the eyes of public and must report to work properly groomed and wearing appropriate clothing. Employees are expected to dress neatly and in a manner consistent with the nature of work performed. Employees are required to follow the dress Code and encourage other employees to follow the dress Code. Employees should adhere to the dress Code during the job or while representing the Company within or outside the Company premises.

#### **Computers and Other Electronic Systems**

To help the employees work efficiently, the Company provides electronic information systems. Based on their responsibilities, employees may have access to e-mail, computers, personal digital assistants (PDA), printers, fax machines, telephones, flash drives, voicemail, wireless devices and software. Company expects that all employees should use these tools for business purposes and with discretion. The Company allows for limited casual personal use of these equipment. Employees who misuse information systems may lose access privileges and, depending on the situation, also may be subject to disciplinary action under this Code.

#### **Protecting Intellectual Property**

Intellectual property includes design documents, proprietary information (including management information, other trade secrets, technical know-how, whether patented or not, trademarks, copyrights, patents and relationship with customers and suppliers etc.). The Company protects, maintains and defends its rights in all commercially significant intellectual property and original works of authorship. These include proprietary computer programs, Company manuals and databases. Unauthorized use of the intellectual property rights or copyrighted materials of others may expose the Company to lawsuits and damages. Employees are expected to handle Intellectual Property with due care.

#### **Insider Trading**

This Code shall be applicable to all the Directors and Designated Employees in line with the Insider Trading policy of the Company.

#### **Protecting Physical Assets**

Company assets include physical assets such as buildings, plant and machinery, estate, facilities, equipment, raw materials and finished goods. All employees are responsible for judiciously using the assets entrusted to them and protecting them from loss, theft, damage or misuse.

#### **k.) Privacy rights**

The Company takes steps to protect personal and private information relating to employees and former employees. It keeps and discloses personal information only as required for business or legal reasons. It complies with all laws about the privacy of employee information and medical records.

### **II. Third party relationships**

#### **a.) Information Reporting to External stakeholders**

The Company honours the information requirements of the public and its stakeholders. In all its public appearances, with respect to disclosing company and business information to public constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers, the Company shall be represented only by specifically authorised directors and employees as mentioned in the Corporate Communications Policy.

It shall be the sole responsibility of these authorized representatives to disclose information about the company or the group.

**b.) Dealing with analysts and Institutional Investors**

Only Public information to be provided

The Company shall provide only public information to the analyst's / research persons / large investors like institutions. Alternatively, the information given to the analysts should be simultaneously made public at the earliest.

Recording of discussion

In order to avoid misquoting or misrepresentation, it is desirable that at least two Company representatives are present at meetings with analysts, brokers or institutional investors and discussion should preferably be recorded.

Handling of unanticipated question

The Company shall be careful when dealing with analysts' questions that may raise issue being outside the intended scope of discussions. Unanticipated questions shall be taken on notice and a considered response should be given later. If the answer includes price sensitive information, a public announcement should be made before responding.

Simultaneous release of Information

When the Company organizes meetings with analysts, the Company shall make a press release or post relevant information on its website after every such meet. The Company may also consider live webcasting of analysts meets.

**c.) Bribes and Kickbacks**

Any employee of Sai Capital Limited must not offer or accept a bribe or a kickback. Kickbacks consist of payment in cash or in kind, including goods, services, the use of another company's property, or forgiving any sort of obligation provided to a customer or supplier for the purpose of improperly obtaining or rewarding favourable treatment in connection with a sale or purchase. Bribes and kickbacks must not be offered either directly or through a third party in order to obligate the recipient to return the favour.

**d.) Receiving gifts and gratuities**

No favours, services, travel or lodging of any kind from present or potential suppliers may be accepted. Refer Entertainment and Gifts Policy for details.

No entertainment shall be accepted in any circumstance from present or potential suppliers, unless it is a multi-customer event, sanctioned in a professional environment and does not, or appear to, influence purchasing decisions, create a conflict of interest or violate rules or proprietary exchanges of information.

**e.) Financial Reporting and External Communications**

The CFO and other senior financial officers have the direct and primary responsibility to ensure full, fair, accurate, timely and understandable disclosure in Sai Capital Limited's filings and public communications.

The information included in all filings with the SEBI and the Stock Exchanges, and all other public communication must be complete, timely and accurate, and must not omit any material fact required so that the information disclosed is not misleading.



### **III. Dealing with Frauds**

This applies to any irregularity, or suspected irregularity, or dishonest act, or fraud involving not only employees but also shareholders, vendors, outside agencies doing business with employees of such agencies, and unknown parties. This refers to, but is not limited to:

1. Any dishonest or fraudulent act;
2. Forgery or alteration of any document or account belonging to a shareholder;
3. Forgery or alteration of a check, bank draft, or any other financial document;
4. Misappropriation of funds, securities, supplies, or other assets;
5. Impropriety in the handling or reporting of money or financial transactions;
6. Profiteering as a result of insider knowledge of securities activities;
7. Disclosing to other persons the securities activities engaged in, or contemplated by the company;
8. Accepting or seeking anything of material value from vendors or persons providing services/materials to the company;
9. Destruction or disappearance of records, furniture, fixtures, or equipment.

### **Correct reporting of financial statements**

Financial reporting fraud is defined as “a material misrepresentation resulting from an intentional failure to report financial information in accordance with generally accepted accounting principles” and is a serious concern for investors and other capital market stakeholders. Moreover, because fraud is intentionally concealed by the perpetrators, it often is difficult to detect for some time.

The Company is committed to enhancing investor confidence and public trust in the capital markets. The Company aims at collaborative action to advance the understanding of conditions that contribute to fraud and develop enhanced deterrence and detection techniques and tools for all participants in the financial reporting process, including management, boards of directors, audit committees, internal auditors, and external auditors. In order to prevent such frauds, the Company has:

1. Responsible corporate governance
2. Effective board of Directors
3. Effective audit committee
4. Accountability of top management
5. Requirement for executive disclosures
6. Adequate internal audit functions

### **Reporting fraud**

Any irregularity detected or suspected or fraud shall be taken up in line with the enforcement process for Whistle-blower Policy.

### **IV. Non-adherence to the Policy**

Any instance of non-adherence to the Code of Conduct for Board members and Senior Management / any other observed unethical behaviour on the part of those covered under this Code should be brought to the attention of the immediate reporting authority, who shall in turn report the same to the Chairman of the Company.

Any employee can choose to make a protected disclosure under the Whistle-blower Policy of the Company. Such a protected disclosure shall be forwarded, when there is reasonable evidence to conclude that a violation is possible or has taken place, with a covering letter. The identity of whistle-blower shall be kept confidential. The company shall ensure protection to the whistle-blower and any attempts to intimidate him / her would be treated as a violation of the Code, and dealt with accordingly.

#### **V. Deviation from policy**

In general, no deviation from this Policy is allowed.

In case any deviation is sought from this Code of Conduct for Board members and Senior Management for a director, senior management or employee, a detailed reasoning is prepared and submitted, in writing. Upon perusal, CMD can allow or disallow the deviation.

This Code is not intended to cover every questionable situation or dilemma that may be encountered. Rather, it is intended to provide a perspective to make aware, guide, and to direct our personnel to resources for further information.

Please remember, at all times, that it is our collective responsibility to seek guidance and assistance in the ethical performance and discharge of our professional responsibilities and duties.

**ANNUAL AFFIRMATION**

The Board of Directors  
Sai Capital Limited,  
<Registered Office Address>

**Subject: Code of Conduct for Board Members and Senior Management**

Dear Sirs,

I affirm that I have complied with the approved Code of Conduct for Board Members and Senior Management of Sai Capital Limited during the financial year ended 31<sup>st</sup> March, \_\_\_\_\_.

Signature: .....

Name: .....

Designation: .....

Date: .....

Place: .....