

# MS Securities Limited

## CORPORATE GOVERNANCE - CODE OF CONDUCT FOR BOARD OF DIRECTORS & CORE MANAGEMENT TEAM

1. This code of conduct shall be known as “Corporate Governance - Code of Conduct for Board of Directors & Core Management Team” hereinafter referred to as the “code of conduct”.
2. This Code of Conduct is applicable to the Board of Directors and Senior Management employees of “MS Securities Limited” including the Executive and the Non-Executive Directors of the Company to the extent of the role played by them in the organization.
3. This code of conduct has been made pursuant to amendment to Clause 49 of the Listing Agreement as a part of compliance of corporate governance.
4. Need and objective of the Code:
  - a) Clause 49 of the Listing Agreement entered into with the Stock Exchanges, requires, as part of Corporate Governance, the listed entities to lay down a Code of Conduct for Directors on the Board of an entity and its Senior Management, Senior Management has been defined to include personnel who are members of its Core Management and functional heads excluding the Board of Directors.
  - b) This Code of Conduct attempts to set forth the guiding principles on which the Company shall operate and conduct its daily business with its multitudinous stakeholders, government and regulatory agencies, media, and anyone else with whom it is connected. It recognizes that the Company is a trustee and custodian of shareholders’ money and in order to fulfill its responsibilities, it has to maintain and continue to enjoy the trust and confidence of public at large.
5. MS Securities Limited (MSSL) acknowledges the need to uphold the integrity of every transaction it enters into and believes that honesty and integrity in its internal conduct would be judged by its external behaviour. MSSL shall be committed in all its actions to the interest of the country. MSSL is conscious of the reputation it carries amongst its customers and public at large and shall endeavour to do all it can to sustain and improve upon the same in its discharge of obligations. MSSL shall continue to initiate policies, which are customer centric and which promote financial prudence.

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The general principles of the Code include the followings:

- Comply with the various Acts, laws, rules and regulations as applicable to the Company.
- Maintain confidentiality of price sensitive information in their knowledge while in discharge of duty & maintain the principle of need to know.
- Personal interest should not override Company interest at the time of taking any decision. Be independent in judgement and actions. Not to act in order to gain financial or other material benefit for themselves, family or friends.
- Act with honesty and integrity while carrying on the duty.
- Not to take improper advantage of their position.
- Must respect the fellow members of the Board and all the employees of the Company.
- Not to offer or give, directly or indirectly, anything of value to a government official to influence any discretionary decision by such official in his official capacity.
- Observe stringent standards in keeping financial records and accounts. Information must not be falsified or concealed under any circumstances.

This Code is subject to periodic review by the Audit Committee and the Board of Directors of the Company, from time to time when the necessity arises.

Name: Manoj Kumar Saraf, Chairman

Place: Patna

Date: 18<sup>th</sup> August, 2006