

## **Code of Conduct for Board of Director as per clause 52 of SME Listing Agreement**

- This Code of Conduct (hereinafter referred to as the "Code") shall be called "The Code of Conduct for Board of Directors (hereinafter referred to as the "Board") and Senior Management Personnel" of **FOX SOFTWARE TECHNOLOGIES LIMITED** (hereinafter referred to as the "Company")
- The principles prescribed in this Code are general in nature and lay down broad standards of compliance and ethics.
- The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company, and thus to sustain the trust and confidence reposed in the Board and Senior Management Personnel by the Shareholders of the Company. The Board and Senior Management Personnel are expected to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.

### **APPLICABILITY**

- This Code shall be applicable to the following persons:
  - (a) Board of Directors of the Company
  - (b) Senior Management Personnel of the Company, being members of Core Management team and Functional Heads
- This Code would be applicable in addition to the existing Staff Regulations of **FOX SOFTWARE TECHNOLOGIES LIMITED**.

### **ETHICAL CONDUCT**

The Board and Senior Management Personnel shall act within the authority conferred upon them by the Company and under applicable law, keeping the best interests of the Company in view and shall:

- Act with professionalism, utmost care, skill, diligence, honesty, good faith and integrity as well as high moral and ethical standards.
- Fulfill their fiduciary obligations without allowing their independence of judgment to be compromised.
- Act fairly and transparently and not participate in any decision-making process on a subject matter in which a conflict of interest exists or is likely to exist such that an independent judgment of the Company's best interest cannot be exercised.

### **NATIONAL INTEREST**

- The Company shall continue to be committed in all its actions to benefit the economic development of the Nation and shall not engage in any activity that would adversely affect such objective.

## **FINANCIAL REPORTING AND RECORD**

- The Company shall continue to prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country. Internal accounting and audit procedures shall fairly and accurately reflect all of the Company business transactions and disposition of assets.

## **DISCLOSURES**

- The Company shall continue to abide by the Corporate Disclosure Practices as specified by the appropriate external regulatory authorities.
- The Company shall make full, fair and accurate disclosures in the periodic reports required to be filed with the Government and regulatory agencies. The Senior Management Personnel shall initiate all actions deemed necessary for proper dissemination of relevant information to the Board, Auditors and other Statutory Agencies, as may be required by applicable laws, rules and regulations.

## **APPLICABILITY**

- Notwithstanding that any instances of Conflict of Interest exist due to any historical reasons, adequate and full disclosure by the interested member of the Board/Senior Management Personnel should be made to the Company. It is also incumbent upon every member of the Board and the Senior Management Personnel to make a full disclosure of any interest at the time of decision making which he or his immediate family, which would include parents, spouse and children, may have in a company or firm which has business dealings with the Company.
- The Board and Senior Management Personnel must not deprive the Company of an opportunity that belongs to it, for his/her own/other's advantage, if he/she is in a position of diverting the Corporate Opportunity for own benefit or to others to the detriment of the Company. They must not compete with the Company in respect of any business transaction.

## **CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT ARE:-**

- Use due care and diligence in performing their duties of office and in exercising their powers attached to that office
- Act honestly and use their powers of office, in good faith and in the best interests of **FOX SOFTWARE TECHNOLOGIES LIMITED** as a whole
- Not make improper use of information nor take improper advantage of their position as a Director.
- Not allow personal interests to conflict with the interests of **FOX SOFTWARE TECHNOLOGIES LIMITED**

- Not engage in conduct likely to bring discredit upon **FOX SOFTWARE TECHNOLOGIES LIMITED**
- Be independent in judgment and actions, and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of Directors
- Ensure the confidentiality of information they receive while being in office of Director and is only disclosed if authorized by the company, or the person from whom the information is provided, or as required by law

#### **REGULATORY COMPLIANCE**

- Every member of the Board and Senior Management Personnel shall, in his/her business conduct, comply with all applicable laws, rules and regulations, both in letter and in spirit, in all the territories in which he/she operates. Any inadvertent non-compliance, if detected subsequently, should be rectified/reported to the concerned authorities.

#### **PUBLIC REPRESENTATION AND CONFIDENTIALITY OF INFORMATION**

- The information for the public constituents and stakeholders, duly approved by the Compliance Officer or other authorized official, as the case may be, shall be disseminated through any of the following media:
  - (a) Newspaper publications
  - (b) Web casting on the official website
  - (c) Press handouts and press releases
- A Director or Senior Management Personnel of the Company and their family members shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company which is not in the public domain and thus constitutes insider information. They shall maintain confidentiality of all price sensitive information. Unpublished price sensitive information would be disclosed only to those within the company who need the information to discharge their duty.

#### **INSIDER TRADING**

- Insider Trading involves the improper use of non-public price sensitive information when dealing in securities. Employees are prohibited from engaging in insider trading as detailed in the Code of Conduct for Prevention of Insider Trading.

#### **USE OF THE COMPANY NAME/LOGO/TRADEMARK**

- The Board or Senior Management Personnel shall not use the name of the Company, its logo or trademark for personal benefit or for the benefit of persons / entities not forming part of the **FOX SOFTWARE TECHNOLOGIES LIMITED**.

## **CORPORATE SOCIAL RESPONSIBILITY**

- The Company shall continue to be committed to be a good corporate citizen not only in compliance with all relevant regulating laws and regulations but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates with the objective of making them self reliant.

## **EQUAL RIGHTS**

- The Company shall continue to provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, color, ancestry, marital status, sex, age, nationality, disability etc. Employees of the Company shall be treated with dignity and in accordance with the Company policy to maintain a work environment free of sexual harassment, whether physical, verbal or psychological. Employee policies and practices shall be administered on a non-discriminatory basis in all matters relating to recruitment, training, compensation, benefits, promotion, transfers and all others terms and conditions of employment.

## **SHAREHOLDERS**

- The Company is committed to enhance shareholder value and shall comply with all regulations and laws that govern shareholders' rights. The Board and Senior Management Personnel of the Company shall duly and fairly inform its shareholders about all relevant aspects of the organization's business and disclose such information in accordance with the respective regulations and agreements.

## **PROTECTION OF COMPANY'S ASSETS AND RESOURCES**

- Each member of the Board and Senior Management Personnel has a duty towards the Company to advance its legitimate interests while dealing with the Company's assets and resources.
- The Board and Senior Management Personnel shall not misuse, for personal gain or otherwise, the assets of the Company.

## **HEALTH SAFETY AND ENVIRONMENT**

- The Company, Board and the Senior Management Personnel shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in.

## **COMPLIANCE WITH GOOD CORPORATE GOVERNANCE PRACTICES**

- Each member of the Board of Directors and Senior Management Personnel of the Company (to the extent relevant) should adhere to the following so as to ensure compliance with good Corporate Governance Practices:
  - (a) Attend Board Meetings regularly and participate in the deliberations and discussions effectively.
  - (b) Involve actively in the matter of formulation of general policies.
  - (c) Be familiar with the broad objectives of the Company and the policies laid down by the

- Government and the various laws and legislations.  
(d) Ensure confidentiality of the Company's Agenda Papers, Notes and Minutes.

#### **AMENDMENTS TO THE CODE OF CONDUCT**

- The provisions of this Code can be amended and modified by the Board of Directors of the Company from time to time and all such amendments and modifications shall take effect from the date stated therein.

#### **ENFORCEMENT OF THE CODE OF CONDUCT**

- Each member of the Board and Senior Management Personnel shall be accountable for fully complying with this Code.

#### **ETHICS AND COMPLIANCE COMMITTEE**

- The Ethics and Compliance Committee comprising the Chief Executive Officer of the Company and the Compliance Officer and any other officer so nominated, will oversee the compliance of this Code.

#### **VIOLATION OF THE CODE**

- The Board shall have the powers to take necessary action in case of any violation of the Code.

#### **GENERAL**

The Board of Director of company provide for periodical review of the compliance of the code at various levels of management. The codes does not provide a full, comprehensive and complete explanation of all the rules that employees are bound to follow. Employees have a continuing obligation to familiarize themselves with all applicable laws, Company's policies, procedures and work rules. The Company reserves to itself the right to alter/delete/add to these codes at any time without prior individual notice and such alterations /deletion/addition shall be binding.

**Date: 06.08.2014**

**Place: New Delhi**

**For FOX SOFTWARE TECHNOLOGIES LIMITED**

**Sd/-**

**Ashok Kumar Mehta  
Managing Director**