

# CODE OF CONDUCT & ETHICS

For Board Members, Senior Management, Employees & other Constituents

**Objective:** This Code of Ethics & Conduct (the Code) for members of the Board of Directors, senior management, employees & other constituent's helps maintaining the standards of business conduct at StockKart, ensures compliance with legal requirements of various applicable regulations.

**Applicability:** This code applies to all members of the Board of Directors, the Senior Management team, employees and other constituents at StockKart.

**Policy Description:** The purpose of this code is to promote ethical conduct by setting a tone of good governance and deter wrongdoing. The matters covered in this code are of at most importance to StockKart as a whole and all its stakeholders. StockKart's Code of Conduct 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. StockKart, over the years, has been built on formidable pillars of integrity, transparency and trust. Whatever we are today is due to strongly advocating and following these values. We believe that these values cannot be taught and have to be ingrained in each and every individual. This code expects every employee of StockKart to conduct business with integrity, in compliance with applicable laws, and in a manner that excludes consideration of direct or indirect personal advantage / gains.

1. **Our Values:** The guiding force and core values, at StockKart, for the purpose of governance of its business, are established, since its inception on principles of Integrity, Responsibility, Trust and Co-operative efforts. We believe that integrity means honest and accurate reporting of the performance, both internally and externally. It is creating an environment which supports/demands proper business conduct. Similarly, we also believe that the policy-making area and management area of the Company handed to us in 'trust' by various stakeholders and therefore we are the "Trustees" of the stakeholders. Protecting and furthering interest of the various stakeholders of the Company is therefore, our responsibility. At StockKart, we also recognize the fact that the society is an important stakeholder in this company and therefore, our Trusteeship also makes us responsible to practice good corporate citizenship.
2. **Good Corporate Citizenship:** StockKart believes in corporate social responsibility. All employees & its constituents are expected to follow a good corporate citizenship, which embraces the following:
  - a. **Relationship with Clients /Investors/Suppliers/Others:** StockKart expects that all the Directors, Senior Management Team Members and its other employees shall ensure that in their dealings with Clients/Investors/ Suppliers and others, StockKart's interests are always kept at paramount level and no compromises are made therefore. Accepting gifts / presents /in any form, from clients, suppliers, etc, will be viewed as a serious breach of the code since the StockKart believes that such an action may lead to one compromising the interest of StockKart.
    - Do not Mis-sell or Misrepresent the Organization or its products or services (Mis-selling is the sale of a product or service to a customer without regard to the customers

interest. Misrepresentation is providing inaccurate or misleading information about the organizations products or services.)

- Make every effort to ensure that the customer understands the product and its risks particularly with complex products.
  - Explain product features clearly both orally and in any marketing literature
  - Do not sell products or services to customers that do not meet their needs
  - Do not Provide irrelevant and incomplete information to customers
- b. Dealing with people within the Organization:** In dealing with each other, StockKart expects that the basic values of trust, teamwork, mutuality, objectivity, self respect and human dignity should be honored and adhered to. In fact, these values form the basis of HR Management.
3. **Legal Compliance:** At StockKart, it is a policy to fully comply with all applicable laws, regulation/s. Thus StockKart would not accept practice/s which are unlawful or which may damage its reputation.
4. **Equal Opportunity Workplace:** StockKart is committed to a work place which is free from any kind of discrimination on grounds of Caste & Tribe, Ethnic Origin, Linguistic Groups, Religion, Belief Disability, Age and Gender. Besides instituting good employment practices, it also endeavors to enhance equal opportunities to all employees without any discrimination. The Company also seeks to demonstrate and promote professional behavior and respectful treatment at workplace.
5. **Health & Safety:** At StockKart, great importance is attached to having a healthy and safe work environment. It seeks to ensure good physical working conditions, high standard of hygiene and housekeeping. With a view to develop/increase safety awareness, due attention is being paid during training of employees.
6. **Environment Policies:** StockKart is committed to the best practices in environmental matters and expects everyone who is associated with its activities, to demonstrate this commitment. Thus, besides complying with applicable law(s) and/ or regulation(s), it is expected that it would strive for establishing best practices and procedures on environment related matter/s as well.
7. **Personal Conduct:** All the Directors and senior management team members and other employees have the obligations to conduct themselves in an honest and ethical manner and also to act in the best interest of StockKart. It is expected of each of them to demonstrate good personal conduct through the adherence to the following;
- a. Brand Management:** It is our belief that 'Experience Management = Brand Management'. This signifies that each & every one of us creates an impact about StockKart through our interactions and our conduct wherever we go. Therefore all employees of StockKart are expected to know what differentiates StockKart from its Competitors. Every employee of StockKart is regarded as an ambassador of brand 'StockKart' & is an important element in the 'Customer Value Chain'
  - b. Avoiding conflict of interest:** StockKart expects that its Directors and senior management team members and other employees should be scrupulous in avoiding any situation of

conflict of interest of StockKart. This is an area in which it is impossible to provide a comprehensive code but the guiding principle, at StockKart, is that any conflict or a potential conflict must be discussed with the top management for guidance/appropriate action/s.

- c. Transparency & Auditability:** At StockKart, it is strongly believed that 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 StockKart. 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. Such transparency would be continue to be developed through appropriate system mechanism, involving more than one manager in key decisions making and maintaining supporting records. Similarly, it is expected that each one should ensure that the operational areas are open to audit systems and procedures and conduct of activities auditable.
- d. Ethical practices:** Revenue opportunities should not take priority over protecting the Organization's reputation, taking shortcuts to achieve revenue targets is not acceptable and the penalty will be severe. Act with integrity and honesty in all circumstances and at all times. Follow all laws and regulations applicable from time to time. Ensure compliance with SEBI, StockKart's inside policy and other governing bodies.
- e. Maintenance of confidentiality:** StockKart strongly emphasis that its Directors, Senior Management team members and other employees shall maintain the strict confidentiality in respect of its confidential information or that of any clients, investors or suppliers or any other business associate of the StockKart, except when such disclosure is legally mandated or/is authorized. Similarly, the use of any confidential information for one's own advantage/profit is strictly prohibited. Compensation paid by the company to its employees is also a strictly confidential matter and no one is expected to discuss it with their colleagues or outsiders. Any breach of this confidence will be viewed seriously by the Management, warranting disciplinary action including suspension from service.
- f. Prevention of money laundering & fraud:** StockKart complies with local laws and regulations on money laundering and fraud prevention. Money laundering is used to disguise or launder the proceeds of criminal activity. This undermines organizations integrity, damages its reputation, deters honest customers and exposes it to severe sanctions. Standards have been designed to protect the organization from doing business with customers involved in criminal activity. Fraud involves obtaining a benefit, often financial, by deception. Fraud is a cost to our business and in serious cases can affect our reputation.
- g. Integrity in financial accounting:** 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. 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
  - Intentional wrong accounting / misclassifications and miscalculations

The company has established internal control standards and procedures to ensure that assets are protected and properly used, financial records/reports are accurate and reliable

employees of StockKart 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. Every penny lost due to embezzlement is a cost to the organization, thus affecting the profitability and growth, not only of the company but every individual working hard for this growth.

**h. Reject Bribery & corruption**

- Do not give or accept bribes or engage in any form of corruption. Do not offer or make any kind of unofficial or unorthodox payment or benefit to government/private bodies officials or others with decision making power over the organization
- Do not offer to pay a customer or potential customers for their business. Do not accept any kind of unofficial or unauthorized payments or benefits.

**i. Complaint handling**

- Ensure that all complaints received are resolved quickly, fairly and recorded appropriately
- Customers who have complaints dealt with in a swift and timely manner are often more loyal than those who have encountered no problems at all.
- Customer complaints must be dealt in, courteous, efficient and timely manner & in accordance with the organization policy

**j. Protection and Proper use of company's assets:** StockKart expects that each one using StockKart's asset/s should ensure its proper usage and ensure the protection of the assets, as well. Theft, carelessness and wastages of the assets and property would have a direct bearing on StockKart's profitability. StockKart's assets should be used only for legitimate business of the Company. It is the primary responsibility of each StockKart to protect and properly utilize the Company's assets/resources including proprietary information. Usage of electronics resources is an integral part of business. StockKart expects that electronic resources would be used for business purposes only and would be used in ethical, effective and lawful manner. StockKarts are also expected to refrain from using office assets and properties for personal work.

**k. Insider Trading of Shares:** StockKart has in place a Code of Conduct for prohibiting the insider shares trading. All persons who are in possession of any price sensitive information are required to maintain stricter discipline while dealing with such information. Insider Trading includes giving tips to another person or dealing on behalf of relatives, friends or any other third parties based on insider information. Due compliances are required to be made as per the said Code in force at StockKart.

**l. Public / Media Disclosures:** In the course of its business, StockKart would be required, to arrange filings of various information/data, with SEBI, Stock Exchange/s and other concerned government agency/ies. It is expected that such filing would be made in the prescribed time limit laid down under concerned law/s and/or rules/regulations and the data should be accurate. Similarly, when statement/information which might be given to any media channel, it is expected that due care should be taken while making such disclosures and only true and fair information relating StockKart be passed on after seeking requisite approval/s and/or guidance from the top management of StockKart. StockKart seeks to form a constructive and productive relationship with all aspects of media and recognizes that open communication is essential. All media activities are coordinated by the PR & Corporate Communication Department at CSO. Any interaction with various sections of print media/Radio/T.V. shows, etc. should be carried out only by the authorized

Spokespersons of StockKart. Except to them no other employee is authorized to speak or share any company information with the media without the prerequisite authorization / permission by the company. This does not apply to topics which are unrelated to StockKart Broking and the activities that it is involved in. However, it will be preferred if the employee clears the same with the Management prior to the said interview/press article, radio talk or TV show.

- m. Ownership & Responsibility:** One is expected to imbibe a sense of ownership & responsibility and refrain from playing the "blame- game" - blaming others for missed commitments, bad decisions or poor results. Our primary responsibility is attending to the customers who visit our office premises or call must not be left unattended and properly guided to the concerned person even though they you may not be directly responsible for servicing him/her. In case the concerned person is unavailable, one is expected to understand the basic requirement/query of the customer & ensure that the concerned person is informed of the same for initiating a quick response to the customer.
- n. Avoid Favoritism in the workplace:** All Departmental / Business Heads /Supervisors must treat each and every employee in their department/unit equally. It is but natural for a manager to trust, respect and depend upon one employee most than another - a result of experience, comfort, common interests, goals or backgrounds. The underlying principles is that each one of us, regardless of our position within StockKart, 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 favoritism.
- o. Avoid gossiping at work:** It is only natural that we communicate with other employees, but our office is no place for malicious rumors / gossip which attack the spirit of any individual.
- p. Avoid Wasting Time:** Time is an asset and the misuse of that asset is just as wrong as the misuse of any of the assets of StockKart. Examples of wasting time on the job;
  - Taking personal time off and not reporting it.
  - Unnecessarily long meal breaks.
  - Wasting time at work on computer games, personal business, reading magazines checking personal mails, chats
  - Time spent on telephone on personal matters or working during office hours on personal projects.
  - Calling outsiders at the work place and conducting personal/ non-StockKart business appointments.
- q. Acts amounting to misconduct a. Misconduct relating to duty**
  - Misusing client funds by misleading them on trades
  - Absence without leave or any formal intimation
  - Engaging in work of being a capital market intermediary under the registered name of a family member or associate, without the requisite permission
  - Carrying on a part-time employment (with or without remuneration) while on duty without permission of the Company
  - Disobedience of orders of the Superior (Insubordination)
  - Negligence of duty
  - Irregular attendance and / or frequent absence

- Sharing confidential information & leakage of database to outsiders
- r. Misconduct relating to Morality**
- Theft
  - Dishonesty & fraud
  - Disloyalty
  - Taking a bribe in any form, from vendors for overbilling the organization or ensuring continuous business to the vendor
  - In any way protecting clients who are defaulters
- s. Misconduct relating to acts of personal indiscretion or socially unacceptable behaviour**
- Use of abusive / filthy language either in spoken or written communication with clients or any employee of StockKart
  - Sexual harassment / physical assault to a co-worker (Refer to the Code on Addressing Sexual Harassment)
  - Damaging or misusing the property and / or brand / reputation of StockKart. Misdemeanor or rowdy conduct in the course of working hours on office premises
  - Misbehaviour conducted even outside working hours / office premises directed towards StockKart or any employee of StockKart
  - Preferring a false complaint to the police or any trade unions against any StockKart knowing it to be false with a view to bringing the management into humiliation
  - Unreasonable criticism
  - Undue show of authority
  - Reporting to work in an inappropriate dress or presenting oneself in a shabby manner
- t. Declaration on below important State of Affairs:**
- All employees including new joinees are mandatorily required to declare in writing about any of the member of his /her immediate family or relatives, who are associated with StockKart, their channel partners, sub-brokers or franchises. They also need to declare the association with any other broking house if not with StockKart. Non-adherence to this will be considered as mis-representation of facts / suppression of vital information under Code of conduct and Ethics policy of the Organization and necessary disciplinary actions will be initiated which can include even termination of the employment with the organization.
  - Terms & Conditions specified in the Offer Letter & Appointment Letter are binding on all employees, effective from time to time.

Kumar Shashank  
Compliance Officer

