



CODE OF CONDUCT

FOREWORD

Dear Colleagues,

This Code of Conduct booklet is intended to help you understand ATC GROUPS standards of ethical business practice. This Code also applies to all consultants, retainers, agents and other representatives of our group.

We shall conduct our operations consistent with the highest business, legal and ethical considerations. Compliance with these principles is vital to maintain our reputation as a responsible corporate citizen, and to achieve our goal of becoming the best and most respected group. Personal responsibility, integrity is at the core of these principles. We expect everyone associated with us to always choose right over wrong and general good of the group without excuse.

It is also everybody's obligation to report the management anything we observe or know about that might violate these principles.

No Code could ever anticipate every ethical decision we may face in business. So whenever you are in doubt any matter that may have ethical implications, you should seek guidance within your Company and rely on conscience.

Violation of Code is a serious matter and could subject you and / or your company to civil liability or even criminal prosecution. It is important that you read this Code carefully and ask questions about anything you do not understand. Each of us must understand & accept legal and moral personal responsibilities in preserving and enhancing our group's reputation for integrity.

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USE OF COMPANY ASSETS

You are personally responsible for protecting company's property specifically entrusted to you and for helping to protect all other company's assets in general. You should be alert to any situations or incidents that could lead to the loss, misuse or theft of company property. You should report all such situations to the management as soon as they come to your attention.

Company assets are to be used only for the legitimate business purposes and only by authorized employees or their designees. This includes both tangible and intangible assets.

Some examples of tangible assets includes: Office equipment such as phones, mobile, car (including hired), copiers, computers, furniture, supplies and production equipment.

The company's electronic mail (e-mail) and computer system should be restricted only to company business. Confidential & sensitive information should be handled appropriately. The company reserves the right at any time to monitor and inspect, without notice, all electronic communications data and information transmitted on the network and electronic files located on personal computers owned by the company or computers on the premises used in company business. Third Party Software is provided as a productivity tool for employees to perform their job functions. Please note that just because third party product or utility software is located on a corporate utility sever, it does not necessarily mean that it is licensed for use as a standalone software product. Employees may be liable as individuals for illegal software use.

To the extent permitted under applicable law, employees, contractors and temporary employees shall assign to the company or intellectual property created during the period of employment.

The company's physical assets, such as equipment, systems, facilities, corporate charge cards



and supplies must be used only for conducting company business or for purpose authorized by management.

Proprietary information is any information that is owned by the company, including information in company databases & that of customers. Much of the proprietary information is confidential relating to current and future products, services or research, business or marketing plans or projections, earnings and other financial data, personnel information including executive and organizational changes and software.

Proprietary information is the result of the ideas and hard work of many of your fellow employees and of substantial investments by the company in planning, research and development. This information, particularly confidential information, gives the company a competitive advantage in the marketplace, and the company would be damaged if its competitors discovered it.

The value of ATC's proprietary information is well known not only to ATC's competitors but also to others in the industry, such as security analysts, members of the press and consultants. The company would be harmed by unauthorized disclosures of its proprietary information to, or the unauthorized use of that information, by any of those people. For example, unauthorized disclosure of an unannounced product can hurt the company by giving competitors more time to match our services. Another example is unauthorized disclosure of an unannounced executive or organizational change, which can adversely affect employee's morale and can interfere with the company's plans.

As a ATC employee, you will have access to information that the company considers proprietary. Given the widespread interest in the company and the increasingly competitive nature of the industry, you will probably come into contact with someone who is interested in acquiring ATC proprietary information. It is critical that you do not disclose or distribute that information except as authorized by the company and that you follow all company safeguards for protecting that information. You should refrain from entertaining such individuals / organizations. If you notice any organization or individual misusing our knowledge base / information / documents, bring it to the attention of your seniors (ofcourse without making unnecessary publicity to the issue).

Conflict of Interest

ATC employees have an obligation to give their complete loyalty in the best interest of the company. They should avoid any action, which may involve, or may appear to involve, a conflict of interest with the company. Employees should not have any financial or other business relationships with suppliers, customers or competitors that might impair, or even appear to impair, the independence of any judgment they may need to make on behalf of the company. Conflict of interest will exist if any of the family members is a supplier / customer or competitor of ATC group of companies, whether the employee has a management or financial interest in that business or not.

Solicitation of vendors or employees for gifts or donations (including to organizations where you may have indirect interest) shall not be allowed.

Therefore, it is company policy that employees shall not:

- Perform services for or have a financial interest in a private company that is, or may become, a supplier, customer or competitor of the company.
- Perform outside work or otherwise engage in any outside activity (including voluntary) or enterprise whether that may interfere in any way with job performance or create a conflict with the company's best interests.
- Seek financial assistance from a supplier or customer or other Associates

Employees are under a continuing obligation to disclose to their supervisors any situation that presents the possibility of a conflict or disparity of interest between the employee and



the company. Disclosure of any potential conflict is the key to remaining in full compliance with this policy.

- Will I be using company equipment, materials, or proprietary information outside of company's business?

A conflict of interest occurs when personal interests interfere with your ability to exercise your judgment objectively, or to do your job at Kirloksar in a way that is certain to be in the best interests of the company. Employees, consultants, agents and representatives must avoid actual or potential conflicts of interest. If any employee considers undertaking any activity that may create a conflict of interest, the employee must seek explicit written approval of the activity in advance from the Corporate Office.

Examples of Potential Conflicts involving Employees

- Contracting with a supplier managed by a family member.
- Working independently as a consultant to a supplier or customer or any other associate.
- Any financial interests in competitors usually will present a conflict of interest.
- Having a private business even on your own time.

Employing Relatives

The company wants to make sure that our workplace is fair and untainted by any possible perception of favoritism. We encourage the tradition of family service but have certain rules about employing closely related persons. Every prospective employee shall disclose if he / she is related to any employee in the company. The placement of closely related employees shall be such that it shall not be prejudicial to the interests of the company.

Abuse of Alcohol

Employees whose behaviour, judgment or performance is impaired by drugs or alcohol will be prohibited from entering the company's premises or engaging in company business. Violations of this policy are serious and will result in appropriate disciplinary action, including possible termination.

Smoking

Smoking shall be permitted only in designated, places for smoking shall be strictly prohibited in any area where it can harm or irritate anyone else.

Drugs

Abuse of narcotics drugs including prescription drugs is strictly prohibited.

Violation of Code is a serious matter and could subject you and / or your company to civil liability or even criminal prosecution. It is important that you read this Code carefully and ask questions about anything you do not understand. Each of us must understand & accept legal and moral personal responsibilities in preserving and enhancing our group's reputation for integrity.

Harassment

It is company policy to provide a workplace free from extraneous avoidable stress, tensions involving matters that do not relate to the company's business. In particular an atmosphere of tension created by ethnic, racial, sexual or religious remarks, sexual advances, comments on physical matters & other derogatory comments or gossip will not



be tolerated.

Harassment of employees, applicants, customers, contractors or suppliers by other employees is a violation of company policy. Harassment includes, without limitation, verbal harassment (Eg:- epithets, derogatory statements, slurs) harassment through derogatory and vulgar e-mails, physical harassment (Eg:-hitting, pushing or other aggressive physical contact) and visual harassment (Eg:- posters, cartoons, drawings) and bullying or subordinates.

Harassment may be unlawful and is prohibited whether it occurs in the workplace, at customer or vendor sites, or at other employment related events or activities. However, the objectionable conduct need not be necessarily unlawful to violate company policy.

Company policy prohibits all inappropriate harassing and immoral conduct, whether or not the conduct is so severe as to be considered a violation of law.

Considering the need for strict observe of this policy, employees who observe learn of, or are subjected to harassment, are responsible immediately to report the conduct to the management.

Repute in outside society also important. Investigations will be conducted in as discrete and as confidential a manner as is practicable.

Retaliation against individuals who report such violations of policy, or against those who provide information in an investigation or such violations, is also a violation of policy.

The company will act promptly and vigorously to take corrective action and appropriate discipline with respect to any harassment or retaliation, up to and including termination of offending individuals.

Questions Employees Should Ask Themselves

- How would I feel if I was subjected to the same treatment?
- Am I giving his / her point of view as much consideration as my own?

Receiving Gifts and Bribes

Gifts offered by employees of different companies vary widely. They can range from widely distributed advertising novelties of nominal value, which you may give or accept, to bribes, which you unquestionably may not give or accept.

Gifts include not only material goods, but also services, promotional premiums and discounts.

An employee should never use personal funds or resources to do something that cannot be done with company's resources.

The following are the company's guidelines on receiving gifts and business amenities. Senior management may approve exceptions, but those exceptions must not be prohibited by law or known customer business practice and public disclosure of facts will not embarrass either the employee or the company.

Sub topics:-

- (i) Business Amenities (ii)
Receiving Gifts

Business Amenities – With management approval, you may accept customary business amenities, such as meals and entertainment, provided the expenses involved are kept at a reasonable level and are not prohibited by law or known customer business practice. Suppliers, including the company, frequently find it appropriate to provide education and executive briefings for their customers.

Receiving Gifts – Neither you nor any member of your family may solicit or accept from a supplier or customer money or a gift that could influence or could reasonably give the appearance



of influencing the company's business relationship with that supplier or customer. However, unless the company has specified to the contrary, you may accept promotional premiums and discounts offered by transportation companies, hotels, auto rental agencies and restaurants if they are based upon membership in bonus programs for individuals and are offered to travelers generally. Furthermore, you may accept a gift of nominal value, not exceeding Rs.500 such as an advertising novelty, sweets and other things such as dry fruit box, diary and calendar during Diwali, when it is customarily offered to others having a similar relationship with the customer or supplier.

Reporting violation of Company Policies

If you know of an unlawful or unethical situation, you should immediately tell the company administration whatever you know or have heard about it. You can do so in one of several ways. The company will promptly review your report of unlawful or unethical conduct. The company will not tolerate threats or acts of retaliation against you for making that report. Perceived threats or intimidation can not be an excuse for non-reporting.

Recording of Information

The employee must record and report all information accurately and honestly.

One very important report that many employees use is the expense account. Employees are entitled to reimbursement for reasonable expenses, but only if those expenses were actually incurred for company's bonafide purposes. To submit an expense account for meals not eaten, kilometers not driven, airline tickets not used, expenses paid by dealers, suppliers or colleagues for traveling, food etc or for any other expense not incurred is dishonest reporting and is prohibited.

All employees are supposed to handle their business action in the most cost-effective and efficient way.

Misrepresenting Company and Facts

Never make misrepresentations or dishonest statements to anyone. If you believe that the other person may have misunderstood you, promptly correct any misunderstanding. Honesty, based on clear communication is integral to ethical behaviour. The resulting trustworthiness is essential to forming and maintaining sound, lasting relationships. If you feel that the other person is misrepresenting the facts / information, make honest attempt to correct the same.

The group behaviour when representing company should be such that it does not affect adversely company image.

Disclosure of Company Information

To avoid inadvertent disclosure, never discuss with any unauthorized person proprietary information that the company considers confidential or which has not been made public.

This could be information about customers and suppliers. Furthermore, employees should not discuss such information even with authorized company employees if you are in the presence of others who are not authorized. Employees should also not discuss such information with family members or with friends who might innocently or unintentionally or otherwise pass the information on to someone else.

Besides your obligation to protect company proprietary information from unauthorized disclosure or distribution, you are also required as an employee to use such information only in connection with the company's business. This obligation applies whether or not you developed the information yourself, and it applies by law in virtually all countries where the company does business.

If employees leave the company for any reason, including retirement, they must return all



company property, including documents and media which contain company proprietary information, and they may not disclose or use company proprietary information, including the company's confidential information. Also the company's ownership of intellectual property and database that they created while they were a company employee continues after they leave the company.

Acceptance Letter

Name

Date

To



ATC Corporate Office

Sub : Acceptance of ATC Groups Code of Conduct Policies

As an employee of ATC Group, I confirm that I have received, read and understood the Code of Conduct policy document No.1 dated _____ Points that were unclear in the document have been satisfactorily clarified with Corporate office. I accept and adopt the policies contained in this document. I fully understand that these codes, as outlined in the Code of Conduct, will now form a part of my contract of employment and this acceptance leads to an automatic amendment of the terms and conditions of my employment as outlined in the appointment letter given to me.

Signature