

CITADEL REALTY & DEVELOPERS LIMITED

CODE OF CONDUCT FOR DIRECTORS

AND SENIOR MANAGEMENT

&

WHISTLE BLOWER POLICY

Code of Conduct for Directors and Senior Management & Vigil Mechanism

1. Introduction:

This code of Conduct applies to:

- a) the Directors of Citadel Realty & Developers Limited (Company).
- b) personnel of the Company who are members of its Core Management Team excluding the Board of Directors. It will also apply to all members one level below the Executive Directors including all functional heads hereinafter collectively referred to as Senior Executives; and
- c) any other Employee or Officer of the Company who has the opportunity to materially influence the integrity, strategy and operation of the business and financial performance of the company.

2. Purpose:

The purpose of this code of Conduct is to:

- a) Articulate the high standards of honesty, integrity, ethical and law abiding behavior expected of directors and senior Executives.
- b) Encourage the observance of those standards to protect and promote the interests of the shareholders and other stake holders(including employees, customers, suppliers and creditors)
- c) Guide directors and Senior Executives as to the practices necessary to maintain confidence in the company's integrity& reputation;
- d) Set out responsibility and accountability of directors and senior Executives to report and investigate any reported violations of this code or any other unethical or unlawful behavior; and
- e) Ensure that the business practices of the company create a high level of confidence amongst its stake holders.

3. Honesty and Integrity:

- 3.1 The Directors and Senior management shall act honestly and with integrity in all their dealings for the company.
- 3.2 The Directors and Senior management will not discriminate on the grounds of a person's race, religion, gender, marital status or disability.
- 3.3 The Directors and Senior management will not make promise or commitments that the company does not intend, or would be unable to honor;
- 3.4 The Directors and Senior management shall adhere to the truth and they should not mislead directly or indirectly nor make false statements, nor mislead by omission.
- 3.5 To avoid and disclose actual and apparent conflicts of personal interest With the interest of the company and to disclose all contractual interest whether directly or indirectly, with the company.
- 3.6 To inform the company immediately about emergence of any situation that may disqualify him/her from directorship of the company.
- 3.7 To observe the code of conduct for dealing in equity shares and other securities of the company which fall within the purview of the SEBI (Prohibition of Insider Trading) Regulation, 1992.
- 3.8 To show no gender bias in dealing with women staff/employees.
- 3.9 To refrain from sexual harassment of any kind whatsoever.

4. Personal Transactions:

- 4.1 Director's and Senior management's personal or other business dealings will be kept separate from the dealings as a director or employee of the company.
- 4.2 Directors and Senior management shall not use the name of the company for any personal or other business transaction related to the company.

4.3 Directors and Senior management shall use goods, services and facilities [provided to them by the Company, strictly in accordance with the terms on which they are provided.

5. Confidentiality of Information:

5.1. The Directors and Senior Management will ensure that confidential information relating to customers, employees and Company's operation is not given either inadvertently or deliberately to third parties, except to the extent necessary for the company's business, without the consent of the company.

5.2. The Directors and Senior management will not use company information obtained by them for personal gain financial or otherwise, nor will that information be used to obtain financial or other benefits for any other person or business.

5.3. The Directors and Senior management shall respect the privacy of others.

6. Disclosure of Interests:

6.1. The Directors and Senior management shall fully disclose active, private or other business interests promptly and any other matters which may lead to potential or actual conflicts of interest with the company in accordance with such policies that the Directors may adopt from time to time.

6.2. The Directors and Senior management dealings with the company must always be at arms length to avoid the possibility of actual or potential conflict of interest.

7 Related Party Transactions:

Section 2 subsection 76 and subsection 77 of the Companies Act 2013 ,read with Clause 15 of the Companies (Meetings of the Board and its Powers) Rules 2014 defines Related party, Relative and Transactions with reference to the Company .

The following Related Party transactions with the Company , keeping in view the provisions of Accounting Standard 18, shall be disclosed.

- Purchase / sale of goods (finished or unfinished)
- Purchase / sale e of fixed assets

- Rendering or receiving of services
- Agency arrangements
- Leasing or hire purchase arrangements
- Transfer of research and development, expertise , technology or effort
- License agreements
- Financing including loans and equity contributions in cash or in kind
- Provision of guarantees and collaterals
- Entering into Management contracts for deputation of employees

Related Parties shall cover the following:

- (a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise (this includes holding companies, subsidiaries and fellow subsidiaries);
- (b) Associates and joint ventures of the reporting enterprise and the investing party or venture in respect of which the reporting enterprise is an associate or a joint venture;
- (c) Individuals owning, directly or indirectly, and interest in the voting power of the reporting enterprises that gives them control or significant influence over the enterprise, and relatives of any such individuals;
- (d) Key Management Personnel and relatives of such personnel ; and
- (e) Enterprises over which any person described in (e) or (d) above is to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise or enterprises that have a member of key management in common with the reporting enterprise.

8. Protection and proper use of Assets:

- 8.1. The Company expects each Director an Senior Executive to use all reasonable endeavors to protect any company asset and to ensure its efficient use.
- 8.2. A Director Or Senior Executive may only use a Company asset (for e.g.: a product, vehicle, computer, or money) for legitimate business purposes.
- 8.3 Each director and Senior executive must immediately report any suspected fraud or theft of a Company asset for investigation.

9. Compliance with laws, regulations, policies and procedures:

- a) comply with the letter and spirit of any applicable rule or regulation;
- b) comply with the protocols, policies and procedures of the Company, including its Corporate Code of Conduct for insider Trading; and
- c) encourage other officers and employees to do the same.

10. Reporting of any illegal or unethical behavior:

Directors and Senior management are encouraged to promptly contact the Chairman of the Board or the Managing Director or the Compliance Officer if any director believes that he or she has observed illegal or unethical behavior by any employee, officer or Director or by any one purporting to be acting on company's behalf. Any such reports may be made anonymously. Confidentiality will be maintained, to the extent permitted by law.

11. Payments, Gifts ,Entertainment and Travel.

11.1 Directors and Senior management shall not use their status to seek personal gain from those doing business or seeking to do business with the company.

11.2. The Directors and Senior management shall not accept any personal gain of any material significance, if offered.

12. Disciplinary Action:

The Directors and Senior management are subject to disciplinary action for violations of this code of conduct.

13. Waivers and Modifications:

Waivers of this Code of Conduct will be granted only when determined to be appropriate under the circumstances and in accordance with applicable law, and only upon approval by the Board of Directors or an Authorized Committee thereof. All such waivers will be disclosed to shareholders and the public as and when required by applicable law or regulation. Subject to the foregoing, this Code of Conduct is subject to modification by the Board of Directors at any time in order to ensure continued compliance with applicable laws, rules and regulations.

14. Vigil Mechanism :

This policy seeks to define and establish the position of Citadel Realty & Developers Limited and its Subsidiaries and Associates ('hereinafter referred to as the 'Company') on the framework for reporting instances of unethical/improper conduct and action suitable steps to investigate and correct the same. Accordingly, this policy details the following:

- Procedure to disclose any suspected unethical and/or improper practice taking place in the Company;
- Protection available to the person making such disclosure in good faith;
- Mechanism for action and reporting on such disclosures to the relevant authority within the Company; and
- Relevant authority and its powers to review disclosures and direct corrective action relating to such disclosures.

The Company seeks to maintain the highest ethical and business standards in the course of conduct of its business. In doing so, the Company has articulated and published its Code of Conduct, which is applicable to all employees of the Company, to regulate and build a strong culture of corporate governance, by promoting transparency and ethical conduct in its business operations, along with providing the framework within which the Company expects its business operations to be carried out. The Whistleblower policy is an extension of the Company's Code of Conduct through which the Company seeks to provide a mechanism for its Employees, Directors, vendors or customers to disclose any unethical and/or improper practice(s) taking place in the Company for appropriate action and reporting. Through this policy, the Company provides the necessary safeguards to all Whistle Blowers for making disclosures in good faith.

A. Reporting and Disclosure

- a. Any Employee, Director, vendor or customer of the Company may make a Disclosure in writing, duly addressed to the Whole-time Director, Citadel Realty & Developers Limited, Lower Parel, Mumbai 400 013:
- b. Where a disclosure is being made in relation to a senior management employee or Director of the Company, such a disclosure may be made to the Chairman and Managing Director of the Company.
- c. It is strongly advised that the Whistle Blower disclose his/ her identity in the covering letter for ensuring timely resolution of the issue and also for

ensuring that adequate protection is granted to him/ her under the relevant provisions of this policy.

- d. The Whistle Blower must address the following issues, while reporting any Disclosures under this policy:
 - 1. The Disclosures made should bring out a clear understanding of the issue being raised.
 - 2. The Disclosures made should not be merely speculative in nature but should be based on actual facts.
 - 3. The Disclosure made should not be in the nature of a conclusion and should contain as much specific information as possible to allow for proper conduct of the inquiry/ investigation.

The Whole time Director shall compile the list of Disclosures, along with recommendations for suitable action and present the same to the Chairman of the Audit Committee.

B. Investigation:

- a. The Chairman of the Audit Committee (hereinafter also referred to as the Audit Committee Chairman) is duly authorized by the Board of Directors to investigate / oversee any Disclosures reported under this policy.
- b. All Disclosures made by the Employees under this policy shall be recorded and action taken in accordance with the recommendation made by the Audit Committee Chairman.
- c. The Audit Committee Chairman may at his own discretion, consider involving any Investigators for the purpose of conducting the investigation. However, the investigations shall be launched only after the review of disclosure by the Audit Committee Chairman, which establishes that:
 - 1. The Disclosure made, constitutes an unethical/ improper practice, as defined under this policy;
 - 2. The Disclosure made is supported by adequate information to support an investigation.

However, the Audit Committee Chairman shall detach the covering letter, before forwarding the relevant Disclosure to the Investigators, to ensure that the confidentiality of the Whistle Blower is maintained during the inquiry/ investigation process.

- d. Any inquiry / investigation conducted against any subject shall not be construed by itself as an act of accusation and shall be carried out as a neutral fact finding process, without presumption of any guilt.
- e. The inquiry/ investigation shall be conducted in a fair manner and provide and equate opportunity for hearing to the affected party and a written report of the findings should be prepared for submission to the Audit Committee Chairman and the Audit Committee.
- f. The Audit Committee Chairman and the Investigators (after obtaining adequate authorization from the Audit Committee Chairman) shall have right to call for and examine any information / document of the Company, as may be deemed necessary for the purpose of conducting inquiry/ investigation under this policy.

C. Subjects:

- a) All Subjects shall be duly informed about the disclosures of unethical practice(s) made against them at the commencement of the formal inquiry/ investigation process and shall have regular opportunities for providing explanations during the course of the inquiry/ investigation process.
- b) No Subjects shall directly/ indirectly interfere with the investigation process, till the completion of the inquiry/ investigation.
- c) The Subjects shall not destroy or tamper with any evidence, and shall have a duty to co-operate with the Audit Committee Chairman in the inquiry/ investigation process or with any of the Investigators appointed, till the time the inquiry/ investigation process is completed.
- d) During the course of the inquiry/investigation process, all Subjects shall have a right to consult any person(s) of their choice, other than the Investigators and/or Audit Committee Chairman, and engage any legal counsel at their own cost to represent them in any inquiry/ investigation proceedings.

- e) All Subjects shall have a right to be informed about the results of the investigation process and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process.
- f) All Subjects shall be given an opportunity to respond to results of the inquiry/ investigation as contained in an investigation report. No allegation of wrongdoing against any Subject shall be considered as tenable, unless the allegations are duly supported by valid evidence in support of the allegation.
- g) Where the results of the inquiry/ investigation highlight that the allegations made against the Subject are eventually dismissed as non-tenable, then the Company shall reimburse all such reasonable costs as shall have been incurred by the Subject to defend him/her, during the process of inquiry/ investigation. In such cases, the Subject should also be consulted whether a public Disclosure of the investigation result would be in their best interest and the necessary Disclosures made. The Audit Committee Chairman shall have the final discretion on whether such disclosure is necessary and if yes, then on the scope and medium of such disclosure.

Protection to Whistle Blower:

- a) The identity of the Whistle Blower, subject and any other employee assisting the inquiry/ investigation, shall be kept confidential at all times, except during the course of any legal proceedings, where a Disclosure/ statement is required to be filed.
- b) The Company, as a policy, strongly condemns any kind of discrimination, harassment or any other unfair employment practice being adopted against the Whistle Blowers for Disclosures made under this policy. No unfair treatment shall be vetted out towards the Whistle Blower by virtue of his/her having reported a Disclosure under this policy and the Company shall ensure that full protection has been granted to him/her against:
 - i. unfair employment practices like retaliation, threat or intimidation of termination / suspension of services, etc;

- ii. Disciplinary action including transfer, demotion, refusal of promotion, etc;
 - iii. Direct or indirect abuse of authority to obstruct the Whistle Blowers right to continue performance of his duties / functions during routine daily operations, including making further Disclosures under this policy.
- c) The Whistle Blower may also report any violation of the above clause to the Audit Committee Chairman, who may direct an investigation into the same and recommend suitable action to the management.

Management Action on False Disclosures:

If an employee knowingly makes false disclosures under this policy, such employee shall be subject to disciplinary action on the terms deemed fit by the Audit Committee.

Reporting:

All instances of Disclosures noted as part of this policy, including results/status of all the inquiries/ investigations made against such Disclosures shall be documented and a final report prepared for the Office of the Chairman of the Audit Committee on a quarterly basis. The Chairman of the Audit Committee may direct the Head of Internal Audit, , the Company Secretary or any other person of the Company that he may deem fit for the preparation of such report. The report shall be presented before the Audit Committee, highlighting the following:

- i. The nature of reported Disclosures made under this policy for the present quarter and the proposed action
- ii. The status of prior and current period reported Disclosures and the action taken thereon;
- iii. Results/status of any investigations/enquiries in reference to the disclosures; and
- iv. Any other matter, as the Audit Chairman deem fit.

The Chairman of the Audit Committee in turn shall also recommend to the Management of the Company, the necessary actions to be taken, which may include:

- i. Revision of the necessary Company policies and procedures;
- ii. Action to be taken against the concerned personnel;

- iii. Any other action which the Audit Committee Chairman deems fit.

The definitions of some of the key terms used in this policy are given below:

- a. “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.
- b. “Employee” means any employee or officer of the Company.
- c. “Director” means any Executive, Non-Executive, Nominee or Alternate Director of the Company.
- d. “Investigators” mean any person(s) duly appointed/consulted by the Chairman of the Audit Committee to conduct an investigation under this policy.
- e. “Whistle Blower” means any Employee, Director, customer or vendor of the Company, making a Disclosure under this policy.
- f. “Disclosure” means any communication in relation to an unethical practice (including anonymous disclosures, if any) made in good faith by the Whistle Blower to the designated personnel under this policy.
- g. “Unethical practice” means and includes, but not limited to, the following suspected activities/ improper practices being followed in the Company:
 - i. Manipulation of Company data / records;
 - ii. Abuse of authority at any defined level in the Company;
 - iii. Disclosure of confidential / proprietary information to unauthorized personnel;
 - iv. Any violation of applicable legal law and regulations to the Company, thereby exposing the Company to penalties/ fines;
 - v. Any instances of misappropriation of Company assets;
 - vi. Activity violating any laid down Company policy, including the Code of Conduct;
 - vii. Any other activities whether unethical or improper in nature and injurious to the interests of the Company.
- i. “Subject” means a person against or in relation to whom a Disclosure is made under this policy.

- j “Company” means Citadel Realty & Developers Limited and its subsidiaries, associates and joint ventures.

This policy is applicable to the following:

- a. All Employees of the Company;
- b. All Directors of the Company;
- c. All customers of the Company; and
- d. All vendors interacting with the Company.

15. Amendments:

This policy may be amended or modified by the Company after due consultation with the Corporate Governance Committee/Board of Directors.

16. Retention Of Documents:

All Disclosures made by the Whistle Blower or documents obtained during the course of inquiry/ investigation, along with the results of investigation relating etc, shall be retained by the Company for a minimum period of 7 years.

17. General :

Every Director shall perform his duties as a Director ,including his duties as a member of any committee of the Board of Directors upon which he may serve, in good faith, in a manner he reasonably believes to be in company’s best interest, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.