

GOLKUNDA DIAMONDS & JEWELLERY LTD.

CODE OF CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

INTRODUCTION:

The directors and senior management personnel of **GOLKUNDA DIAMONDS & JEWELLERY LTD.** ("Company") adopt this Code of Conduct and ethics (the "Code of Conduct") to assist directors and senior management personnel in fulfilling their duties to the Company. The directors are entrusted with responsibility to oversee management of the business and affairs of the Company.

This Code of Conduct is applicable to all the 'Officers' of the Company. The word Officer would include members of the Board and members at Senior Management Level position. Senior Management Level position includes personnel of the Company who comprise of all members of management one level below the Board of Directors.

GOLKUNDA DIAMONDS & JEWELLERY LTD. has a long-standing commitment to compliance with applicable laws and regulations and to operating in accordance with the highest standards of business conduct. In many instances, the Code of Conduct guidelines and standards go beyond the requirements of applicable law.

GUIDELINES FOR CONDUCT:

Each officer should seek to use due care in the performance of his/her duties, be loyal to the Company and act in good faith and in a manner the director reasonably believes to be in or not opposed to the best interests of the Company. An officer should:

- use reasonable efforts to attend Board and Committee meetings regularly, whenever invited.
- provide sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries;
- be aware of and seek to fulfill his or her duties and responsibilities as set forth in the Company's Memorandum of Association, Articles of Association and Corporate Governance guidelines; and
- seek to comply with all applicable laws, regulations, confidentiality obligations and Corporate Policies.

CORPORATE BUSINESS OPPORTUNITIES

Except as described elsewhere herein, an officer can not engage in business until he/she does not pre-empt or seize a corporate business opportunity. A corporate business opportunity is (1) an opportunity in the Company's line of business or proposed expansion

or diversification, (2) which the Company is financially able to undertake and (3) which may be of interest to the Company.

An officer who learns of such a corporate business opportunity and who wishes to participate in, it should disclose the opportunity to the Board of Directors. If the Board of Directors determines that the Company have an actual or expected interest in the opportunity, then, and only then, may the officer participate in it, provided that the officer has not wrongfully utilized the Company's resources in order to acquire the opportunity.

CONFLICTS OF INTEREST

The Directors and Senior Management Personnel should be proactive in avoiding any conflict of interest that may arise, during the course of business of the company. When such an event is likely to arise he / she shall disclose all facts and circumstances to the Board of Directors or the officer nominated in this regard by the board.

Officers are expected to dedicate their best efforts in advancing the Company's interests and to make decisions that affect the Company based on the Company's best interests and independent of outside influences.

A conflict of interest occurs when one's private interests interfere in any way, or even appear to interfere, with the interests of the Company. A conflict situation can arise when an officer takes actions or has interests that make it difficult to perform his/her duties for the Company objectively and effectively. An officer's obligation to conduct the Company's business in an honest and ethical manner includes the ethical handling of actual or apparent conflicts of interest between personal and business relationships.

Following are some common examples that illustrate actual or potential conflicts of interest:

- Owning an interest in a company that competes with or does business with the Company;
- Participating in a joint venture, partnership or other business arrangement with the Company; and
- Employment with or serving as a director of a competitor, customer or supplier of the Company.

An officer who has an actual or potential conflict of interest, including any of the situations described above, must disclose to the Board (1) the existence and nature of the actual or potential conflict of interest and (2) all facts known to him/her regarding the transaction that may be material to a judgment about whether to proceed with the transaction. The officer may proceed with the transaction only after receiving approval from the Board.

LOANS

An officer shall not obtain any loans from the Company except with the Compliance of requisite legal provisions.

GIFTS AND ENTERTAINMENT

When acting on behalf of the Company, officers should never request gifts, entertainment or any other business courtesies from people doing business with the Company (including customers, competitors, contractors and consultants and others).

Unsolicited gifts are permissible if they are customary and commonly accepted business courtesies; not excessive in value; and given and accepted without an express or implied understanding that the director is in any way obligated by acceptance of the gift.

Gifts of cash or cash equivalents (including gift certificates, securities, below-market loans, etc.) in any amount are prohibited.

COMPANY PROPERTY

Officers have a responsibility to safeguard and properly use Company assets and resources, as well as assets of other organizations that have been entrusted to the Company. Except as specifically authorized, Company assets, including Company equipment, materials, resources and proprietary information, must be used for Company business purposes only.

CONFIDENTIAL INFORMATION

Officers shall maintain the confidentiality of information entrusted to them by the Company. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the officers or anyone other than the Company.

FAIR DEALING

Officers should endeavor to deal fairly with the Company's Customers, Competitors and Employees and should never take unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

SECURITIES LAWS

It is Company policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Company files with, or submits to, the Securities and Exchange Board of India, the Stock Exchange, Registrar of Companies and in all other public communications made by the Company. Directors must abide by applicable Company policies and procedures designed to promote compliance with this policy.

INSIDER TRADING

Officers are prohibited by Company policy and the law from buying or selling securities of the Company when in possession of material Unpublished Price Sensitive Information. Passing such information on to someone who may buy or sell securities (tipping) is also

illegal. The prohibition applies to Company's securities and to securities of other companies if they learn material Unpublished Price Sensitive Information about other companies, such as the Company's customers or suppliers, in the course of duties for the Company. Officers are subjected to additional requirements relating to reporting and effecting transactions in Company securities.

COMPETITION LAWS

While the Company competes vigorously and creatively in its business activities, its efforts in the marketplace must be conducted in accordance with all applicable Competition Act and Regulations. Officers should not engage in any activity in violation of applicable Competition Act.

ANTI-CORRUPTION LAWS

The Company conducts its international business activities in compliance with applicable Anti-Corruption Act of the India and the laws of all other countries in which the Company conducts business. The Anti-Corruption Act prohibits the Company and its officers, employees and agents from giving or offering to give money or anything of value to a foreign official, a foreign political party, a party official or a candidate for political office in order to influence official acts or decisions of that person or entity, to obtain or retain business, or to secure any improper advantage. Officers should not engage in any activity that might involve the Company in a violation of the Anti-Corruption Act.

DUTIES OF INDEPENDENT DIRECTORS:

Without limiting the generality of the duties stated in the Companies Act, 2013 read with Rules made there under, the Listing Agreement, SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Code of Conduct for Prevention of Insider Trading framed there under and other applicable laws, the duties of an Independent Director are as under:

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meetings of the company;
- where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- keep themselves well informed about the company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Notwithstanding anything contained in the Companies Act, 2013, an independent director or a non-executive director (not being promoter or key managerial personnel), shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable through business processes, and with his consent or connivance or where he had not acted diligently.

POLITICAL CONTRIBUTIONS

The Company will not make political contributions from corporate resources to any political party, candidate or holder of public office, or political committee in violation of Section 182 of the Companies Act, 2013. This includes monetary contributions as well as in-kind contributions (such as the use of corporate property, personnel services or facilities).

Officers shall not cause the Company to make contribution to any political party or for any political contribution without the prior approval of the Board. The officers must comply with applicable laws and Company policy with respect to causing the Company to make political contributions. Officers may not make personal political contributions on behalf of, or in the name of, the Company. Officers will not be reimbursed or otherwise compensated for any personal political contribution.

NON-COMPLIANCE

Suspected violations of this Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations would be appropriately investigated. Officers who violate this Code may be subject to sanctions, up to and including a request to resign or the Board's seeking their removal where permitted by applicable law.

An Officer charged with a violation of this 'Code of Conduct' should not participate in a vote of the Committee or the Board concerning his/her alleged violation, but may be present at a meeting of the Board or Committee convened for that purpose.

Any waiver of this 'Code of Conduct' must be approved by the Board of Directors and publicly disclosed as required by law or regulation.

NO RIGHTS CREATED:

This 'Code of Conduct' sets forth guidelines for conduct for the Board of Directors and Senior Management personnel of the Company. It is not intended to and does not create any rights in any director, officer, employee, client, supplier, competitor, shareholder or any other person or entity.

INTERPRETATION AND WAIVER:

The Board of Director is the final authority to decide about any question regarding the code. The board is empowered to appoint any committee or officer, in this regard.

The Board / Committee / Officer, as the case may be has the authority to waive any clause of this code, for any director / employee of the company, the decision in this regard must be conveyed / disclosed in writing. The employee / director seeking waiver must disclose his / her case to the director / committee / officer.