

 **NDR AUTO COMPONENTS LIMITED**

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**CODE OF CONDUCT FOR DIRECTORS AND SENIOR  
MANAGEMENT**

# **NDR AUTO COMPONENTS LIMITED**

## **CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

### **I. INTRODUCTION**

This Code of Conduct (hereinafter referred to as "the Code") has been framed and adopted by NDR AUTO COMPONENTS LIMITED (hereinafter referred to as "the Company") to reinforce the Company's commitment towards maintaining highest standards of Corporate Governance and to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the Company in an ethical manner. The purpose of this code is to recognize and deal with ethical issues and to provide mechanisms to report unethical conduct of Employees, Board of Directors and Senior Management Personnel and to develop a culture of honesty and accountability and also to comply with regulatory requirements and all policies and procedures of the Company.

### **II. APPLICABILITY**

This code shall be applicable to all Senior Management Personnel which would include the Board of Directors of the Company and all functional heads(including management personnel with direct functional reporting to directors and top personnel), all the members of the management one level below the Chief Executive Officer or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the Company Secretary and the Chief Financial Officer.

### **III. KEY REQUIREMENTS**

Senior Management Personnel shall act within the authority conferred upon them, keeping in view the best interests of the Company and observe the following:

- Act with diligence and integrity.
- Act in utmost good faith.
- Not exploit for their own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed and permission obtained from the competent authority.
- Not to allow any prejudice, bias, fear or favour cloud the independent judgement and to act in an intellectually honest manner while dealing with all matters to be placed before the Board of Directors.



# NDR AUTO COMPONENTS LIMITED

- To work as a team, with constructive approach.

## IV. DUTIES OF INDEPENDENT DIRECTORS

- (1) Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
- (2) 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.
- (3) Strive to attend all meetings of the Board and the committees thereof of which they are members.
- (4) Participate constructively and actively in the committees of the Board.
- (5) Strive to attend the general meetings of the Company.
- (6) 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.
- (7) Keep themselves well informed about the Company and the external environment in which it operates.
- (8) Not to unfairly obstruct the functioning of an otherwise proper Board or committee thereof.
- (9) 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.
- (10) 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.
- (11) Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.
- (12) Act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.
- (13) 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.
- (14) Subject to the provisions of the Companies Act, 2013 to act in accordance with the Articles of Association of the Company.



# **NDR AUTO COMPONENTS LIMITED**

- (15) To act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- (16) To exercise their duties with due and reasonable care, skill and diligence and exercise independent judgment.
- (17) Not to involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- (18) Not to achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates.
- (19) Not to assign their office.

## **V. CONFLICT OF INTEREST**

Senior management personnel must avoid situations in which their personal interest could conflict with the interest of the Company. Any conflict or potential conflict must be disclosed to the Board for guidance and appropriate action.

## **VI. GIFTS**

Senior Management Personnel shall not offer, give or receive gifts to or from persons or entities dealing with the Company, where any such gift is perceived as intended directly or indirectly, to influence any business decision. Senior Management Personnel of the Company shall not accept or permit any member of his family or any other person acting on his behalf to accept any gift exceeding a value of Rs.6000/- from Vendor, Dealer, Contractor, Supplier and anyone having business dealings with the Company. The gift shall also include free boarding, transport, lodging or other service or any other pecuniary advantage when provided by any person other than a near relative or a personal friend having no official dealings with the Senior Management Personnel. Senior Management Personnel should also avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with the Company.

## **VII. ETHICAL CONDUCT**

Senior Management Personnel should promote ethical behavior and take steps to ensure that the Company promotes ethical behavior and also encourages employees to freely report violations of laws, rules, regulations or the Company's Code of Conduct to the appropriate personnel. They shall not make or accept facilitation payments or kickbacks of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite an action. Kickbacks are typically payments

# **NDR AUTO COMPONENTS LIMITED**

made to commercial organisations in return for a business favour/advantage such as payment made to secure the award of a contract. They must avoid any activity that might lead to or suggest that a facilitation payment or kickback will be made or accepted by the Company.

## **VIII. CONFIDENTIAL INFORMATION**

Senior management personnel of the Company shall disclose or use any confidential information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or is legally mandated.

## **IX. RELATED PARTY TRANSACTIONS**

A Senior Management Personnel or any of his relatives/associates should not derive any undue personal benefit or advantage by virtue of his position or relationship with the Company. As a general rule, Senior Management Personnel should avoid conducting Company business with a relative, or dealing with a business in which a relative is associated in any significant role. Any dealings with a related party must be conducted in such a way that no preferential treatment is given and adequate disclosures are made as required by law and as per the applicable policies of the Company.

## **X. LEGAL COMPLIANCE**

Ensuring legal and regulatory compliance is the responsibility of the Senior management personnel of the Company. The Company cannot accept practices which are unlawful or may be damaging to its reputation. In case the implication of law is not clear, the course of action chosen must be supported by eminent legal counsel whose opinion should be documented.

## **XI. HEALTH AND SAFETY**

The Company attaches great importance to a healthy environment and to the safety of its employees. The Company should ensure to improve the environment through continuous improvement and regular updates, in line with the Company's existing Environment Management System.

Conditions should be such that there is an accident-free environment. Good physical working conditions, high standards of hygiene and housekeeping are essential. The Board expects all fatal accidents to be reported together with a detailed report signed with the Chief Executive of the business.



# **NDR AUTO COMPONENTS LIMITED**

Particular attention should be paid to training employees to increase safety awareness and adoption of safe working methods.

## **XII. EQUAL OPPORTUNITY & ANTI HARASSMENT**

The Company is committed to a policy of equal employment opportunity so as to assure that there shall be no discrimination or harassment against an employee or applicant on the grounds of race, color, religion, sex, age, marital status, disability, national origin, or any other factor made unlawful by applicable laws and regulations. This policy relates to all phases of employment including recruitment, hiring, placement, promotion, transfer, compensation, benefits, training, educational, social and recreational programs and the use of Company facilities. Sexual harassment or exploitation is specifically prohibited and all instances shall be dealt with in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **XIII. INSIDER TRADING**

It is the responsibility of each Senior Management to become familiar with and understand these laws, regulations and policies and should seek further explanations and advice concerning their interpretation, if required.

Senior Management should direct questions regarding the application or interpretation of these guidelines to the Company Secretary.

## **XIV. ENFORCEMENT OF CODE OF CONDUCT**

Each Senior Management Personnel is accountable for complying with this code.

## **XV. NON-COMPLIANCE**

Suspected violations of this code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations should be appropriately investigated.

## **XVI. AMENDMENTS TO THE CODE**

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

## **XVII. ACKNOWLEDGEMENT**

All Senior Management Personnel shall acknowledge the receipt of this Code in the acknowledgement form (Refer Appendix I) appended to this Code indicating that they have received, read and understood, and agreed to comply with the Code and send the same to the Compliance

 **NDR AUTO COMPONENTS LIMITED**

Officer. New Senior Management Personnel will submit such an acknowledgment at the time when their directorship/employment begins/when they assume a senior management position.

**XVIII. ANNUAL AFFIRMATION**

All the Senior Management Personnel shall, within 30 days of close of every financial year affirm compliance with the Code (Refer Appendix II). The duly signed Annual Compliance Declaration shall be forwarded to the Compliance Officer of the Company.

**APPENDIX-I**

**CODE OF CONDUCT FOR**

**BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

**ACKNOWLEDGEMENT FORM**

I ....., have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

**Signature :** .....

**Name :** .....

**Designation :** .....

**Date :** .....

**Place :** .....



**APPENDIX-II**

**CODE OF CONDUCT**

**FOR BOARD MEMBERS AND**

**SENIOR MANAGEMENT PERSONNEL**

**ANNUAL COMPLIANCE REPORT\***

I..... do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March .....

**Signature:**

**Name:**

**Designation:**

**Date:**

**Place:**

**\* To be submitted by 30th April each year.**

Last amended on – 21<sup>st</sup> May 2024