

A dark blue vertical bar runs down the left side of the page. A blue arrow points from the right side of this bar towards the text.

Mac Charles (India) Limited

**Code of Conduct for Directors & Senior Management
(LODR)**

A series of thin, curved lines in shades of blue and grey originate from the bottom left corner and sweep upwards and to the right, creating a decorative, organic shape.

1. Background

Regulation 46(2) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) requires every listed company to publish a code of conduct for its board of directors and senior management personnel on its website. This Code is framed under Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

The Code is in alignment with the Company’s objectives, and Corporate Governance Policy and aims at enhancing ethical transparent process in managing the affairs of the Company.

2. Company’s belief system

This Code of Conduct attempts to set forth the guiding principles on which the Company shall operate and conduct its daily business with its stakeholders, government and regulatory agencies, media, and anyone else with whom it is connected. It recognises that the Company is a trustee and custodian of its Shareholders money and in order to fulfill its fiduciary obligations and responsibilities, it has to maintain and continue to enjoy the trust and confidence of shareholders.

The Company acknowledges the need to uphold the integrity of every transaction it enters into and believes that honesty and integrity in its internal conduct would be judged by its external behaviour. The Company shall be committed in all its actions to the interest of the countries in which it operates. The Company is conscious of the reputation it carries amongst its customers and public at large and shall endeavour to do all it can to sustain and improve upon the same in its discharge of obligations. The Company shall continue to initiate policies, which are customer- centric and which promote financial prudence.

3. Applicability

The Code applies to Directors and Senior Management of the Company.

The independent directors of the Company are subject to certain additional duties as laid down by the Companies Act, 2013 which are set out in Annexure - I of the Code.

The Code has been formulated and approved by the Board and is to be strictly observed by the Directors and Senior Management of the Company for the governance of good corporate practices.

Any issue relating to the interpretation of the Code will be handled by the Board. The Company Secretary of the Company is appointed as the Compliance Officer under the Code and will be available to answer any questions, provide clarification and to help in ensuring compliance with the Code.

4. Definitions

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning as defined below:

"Board/Directors" shall mean the Board of Directors of the Company.

“Company” shall mean Mac Charles (India) Limited.

“Conflict of Interest” means where the interests or benefits of one person or entity conflicts with the interests or benefits of the Company.

“Executive Directors/Whole Time Directors” shall mean and include Company's Managing Director and Directors who are in whole time employment of the Company.

“Independent Directors” shall mean an Independent Director as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India.

“Non-Executive Directors” shall mean the Directors who are not in whole time employment of the Company.

Compliance Officer” shall mean the Company Secretary of the Company and in his absence any senior officer, so designated by the Board for the purpose of compliance with the Code. **“Director”** shall mean a member of the Board.

“Listing Regulations” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Senior management” shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the “chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

5. Guidelines for Conduct

Every person to whom the Code is applicable, shall conduct the affairs of the Company and perform his duties with due care, diligence, dignity, honesty and integrity and shall confirm to the highest moral and ethical standards and at all time, be loyal to the Company and act in good faith and in the best interest of the Company. Besides the duties and responsibilities cast upon Directors by applicable laws, articles of association of the Company and provisions of the Code, set out hereinbefore, a Director is also expected to:

- a. use such degree of skill as may be reasonable to expect from a person with his/ her knowledge or experience;
- b. not seek to influence any decision of the Board for any consideration other than in the interests of the Company;
- c. make reasonable efforts to attend Board meetings, meetings of the committees of the Board where the Director is a member and general meetings of shareholders, regularly;
- d. inform the chairman of the Board/ committee or the Company Secretary of the Company well in advance in case he is not in a position to attend a Board/ committee meeting and apply for the grant of leave of absence;
- e. dedicate sufficient time, attention and energy to the deliberations at the meetings to ensure diligent performance of their duties;

f. notify the other Directors about the material personal interest in any matter and must not vote on such matter;

g. bring an open and independent mind to the Board/ committee meetings and should not make a decision about a matter before attending and participating in the deliberations of the meeting;

h. treat each other with courtesy and observe the other guidelines set out in the Code;

i. act in a cooperative and respectable manner with their colleagues;

j. maintain order and decorum at the meetings and obey the directions given by the Chairman; and

k. comply with all applicable laws, regulations, confidentiality obligations and Company's policies.

6. Conflict of Interest

The Directors and Senior Management shall not engage in any activity, business, or relationship, which may conflict with the interest of the Company or prejudicial to the Company's interest. They should avoid transacting company business with their relative or with a firm/ company in which either they themselves or their relative are interested or plays any significant role and in case such related party transaction is unavoidable, it must be made only after proper and fullest disclosure to the Board.

The Directors and Senior Management shall also not accept gifts from persons or firms who deal with the Company, or are seeking to deal with the Company, where the gift is being made in order to influence the director's actions as a member of the Board, or where acceptance of the gift could create the appearance of a conflict of interest.

7. Disclosure of Interest

The Directors shall promptly disclose at the time of their appointment and subsequently whenever there is a change, their interest in other companies and body corporates in compliance with applicable laws.

The Directors and Senior Management shall also promptly disclose their relationships with other individuals, firms or body corporate wherever such relationship may affect their independence of judgment while performing their duties and responsibilities towards the Company.

8. Honesty, Integrity, Fairness and Accountability

The Directors and Senior Management are entrusted with the responsibility to oversee and formulate the policies for the management and affairs of the Company. Therefore in the interest of good corporate governance they shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness.

All of them must act in good faith with honesty and accountability and with due care, competence and diligence. The Directors and Senior Management shall encourage employees of the Company to report violations of laws, rules, regulations or this Code to the appropriate personnel.

9. Confidentiality and Fair Dealings

Company's Confidential Information

- i. The Company's confidential information is a valuable asset. It includes all trade related information, trade secrets, confidential and privileged information, customer information, employee related information, strategies, administration, research in connection with the Company and commercial, legal, scientific, technical data that are either provided to or made available to each member of the Board of Directors and the Senior Management by the Company either in paper form or electronic media to facilitate their work or that they are able to know or obtain access by virtue of their position with the Company. All confidential information must be used for Company's business purposes only.
- ii. This responsibility includes the safeguarding, securing and proper disposal of confidential information in accordance with the Company's policy on maintaining and managing records. This obligation extends to confidential information of third parties, which the Company has rightfully received under non-disclosure agreements.
- iii. To further the Company's business, confidential information may have to be disclosed to potential business partners. Such disclosure should be made after considering its potential benefits and risks. Care should be taken to divulge the most sensitive information, only after the said potential business partner has signed a confidentiality agreement with the Company.
- iv. Any publication or publicly made statement that might be perceived or construed as attributable to the Company, made outside the scope of any appropriate authority in the Company, should include a disclaimer that the publication or statement represents the views of the specific author and not the Company.

10. Other Confidential Information

The Company has many kinds of business relationships with many companies and individuals. Sometimes, they will volunteer confidential information about their products or business plans to induce the Company to enter into a business relationship. At other times, the Company may request that a third party provide confidential information to permit the Company to evaluate a potential business relationship with that party. Therefore, special care must be taken by the Board of Directors and members of the Senior Management to handle the confidential information of others responsibly. Such confidential information should be handled in accordance with the agreements with such third parties.

The Company requires that every Director and the member of Senior Management, General Managers should be fully compliant with the laws, statutes, rules and regulations that have the objective of preventing unlawful gains of any nature whatsoever.

Directors and the members of Senior Management shall not accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, suppliers, shareholders/ stakeholders, etc., that is perceived as intended, directly or indirectly, to influence

any business decision, any act or failure to act, any commission of fraud, or opportunity for the commission of any fraud.

11. Company Property

Directors and Senior Management have a fiduciary relationship with the Company and they should act like a trustee for the Company's property/ assets as well as the property/ assets of other organizations that have been entrusted to the Company.

They are responsible for its safe custody and accountable for its use. The Directors and Senior Management shall not use these assets/ property except as specifically authorised and that too only for the purpose of Company business.

12. Corporate Business Opportunities

Corporate Business Opportunities here means those opportunities, which are made available to the Company and which are known to the Directors/ Senior Management due to the position held by them in the Company. The Directors/ Senior Management shall not utilise such opportunities for their personal benefit. However once an opportunity is fully and properly disclosed to the Board and after consideration rejected by them then it ceases to be a Corporate Business Opportunity.

13. Compliance With Applicable Laws & Company's Policies

Every person to whom the Code is applicable and others directly or indirectly associated with the Company shall comply with all applicable laws, rules, regulations and guidelines issued by the Government of India from time to time. Further they shall also comply with the various policies, guidelines and codes formulated by the Company in compliance with the Listing Regulations and other applicable provisions including the Company's policy on insider trading and procedures for fair disclosure.

14. Declaration for Compliance with the Code

The members of the Board and Senior Management shall affirm the compliance with the Code on an annual basis and shall sign a confirmation to that effect as per the format set out in Annexure II. The annual report of the Company shall carry a declaration signed by the CEO/ Managing Director/CF0 of the Company stating that the members of Board and Senior Management have affirmed compliance with the Code.

Miscellaneous Suspected violations of the Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations would be appropriately investigated and action will be taken on the conclusion of the enquiry by the Board which may even include a request to resign as Director or Senior Management of the Company, if permitted by applicable laws and is in the best interest of the Company. The board of directors of the Company reserves the right to modify and/or amend the Code at any time. The Code and subsequent amendment(s) thereto, shall be published on the website of the Company.

15. Waivers

Any waiver of any provision of this Code of Conduct for a member of the Company’s Board of Directors or a member of the Senior Management must be approved in writing by the Board of Directors of the Company.

The matters covered in this Code of Conduct are of the utmost importance to the Company, its stakeholders and its business partners, and are essential to the Company’s ability to conduct its business in accordance with its value system.

16. Review of Code

The Code shall be reviewed annually or at earlier intervals, if necessary. Consequent upon any changes in regulatory guidelines, such change shall be deemed to be a part of the Code until the Code is reviewed and approved next time.

Annexure-1

Guidelines of professional conduct, Role, Function and Duties as an Independent Director (As provided in Schedule IV of the Companies Act, 2013) Guidelines for Professional conduct:

1. To uphold ethical standards of integrity and probity;
2. To act objectively and constructively while exercising your duties;
3. To exercise their responsibilities in a bona fide manner in the interest of the Company;
4. To devote sufficient time and attention towards your professional obligations for informed and balanced decision making;
5. To not allow any extraneous considerations that will vitiate their exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. To not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. To refrain from any action that would lead to loss of their independence; 8. Where circumstances arise which make an independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
9. To assist the Company in implementing the best corporate governance practices.

Role and functions:

1. Assist in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
2. Bring an objective view in the evaluation of the performance of Board and management.
3. Scrutinize the performance of management in meeting with respect to agreed goals and objectives and monitor the reporting of performance.
4. Satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.
5. Safeguard the interests of all stakeholders, particularly the minority shareholders. 6. Balance the conflicting interest of the stakeholders.
7. Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where

necessary recommend removal of executive directors, key managerial personnel and senior management.

8. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

Duties:

1. Undertake appropriate induction and regularly update and refresh your 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 including a Separate meeting of the independent director and of the Board committees of which you are a member.

4. Participate constructively and actively in the committees of the Board in which you are chairperson or member.

5. Strive to attend the general meetings of the Company.

6. Where you 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 your concerns are recorded in the minutes of the Board meeting.

7. Keep yourself 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 of the Board.

9. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself 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 behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

12. Acting within your 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.

However in case of any person serving on the Board of the Company as a nominee of any institution or organisation, this code shall apply to such person during his / her tenure as Director of the Company, subject to anything contained herein which is repugnant to the Code of Conduct or the service rules of the institution or organisation who have appointed such persons as its nominee on the Board.

Annexure – 11

**FORM OF ACKNOWLEDGMENT OF RECEIPT OF CODE OF CONDUCT
FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL AND
ETHICS**

I have received and read the Company's Code of Conduct for Directors and Senior Management Personnel and Ethics. I understand the standards and policies contained in the Company Code of Conduct for Directors and Senior Management Personnel and Ethics and understand that there may be additional policies or laws specific to my job and/or the location of my posting. I further agree to follow the values of the Company in all that I do and comply with the Company Code of Conduct for Directors and Senior Management Personnel and Ethics.

If I have questions concerning the meaning or application of the Company Code of Conduct for Directors and Senior Management Personnel and Ethics, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult my manager, the Compliance Officer, the Human Resources Department or the Legal Department, knowing that my questions or reports to these sources will be maintained in confidence.

Employee Name _____

Employee No _____

Designation _____

Signature _____

Date

Please sign and return this form to the Company Secretary.

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, as applicable, during the year ending 31st March _____.

Name

Designation

Date