



INDIA NIPPON ELECTRICALS LIMITED

CODE OF CONDUCT AND BUSINESS ETHICS

PREAMBLE

This Code lays down the broad principles that should guide the Employees of India Nippon Electricals Limited (INEL) in their day-to-day activities as they pursue the Company's goals and interests. The Code sets out responsibilities that should govern personal conduct, conduct in the workplaces, conduct in the market places, besides larger responsibilities devolving on them as citizens of the world.

APPLICABILITY

This Code applies to-

- 1) Directors
- 2) Employees, which shall include Permanent Staff, Contract employees, Fixed Term employees, Retainers, Trainees, Apprentices and Field Staff

-of the Company, its Holding, Subsidiary or Associate Companies (which, unless the context otherwise requires, are collectively referred to in this code as 'Company'). Directors and Employees of Holding, Subsidiary or Associate Companies shall be covered only so far as they are involved in any business, commercial or corporate transactions related to INEL.

- 3) Consultants and Service Providers (including staff of such Consultants and Service Providers) engaged in relation to Company's business
- 4) Suppliers of the Company

We refer to Directors and Employees, as 'Employees'. The Code also covers the Duties of Independent Directors as prescribed in Schedule –IV to the Companies Act, 2013. Persons referred to in Clause 3 and 4 have to comply with the requirements of this code whenever they are acting on behalf of INEL in relation to third parties.

The term "Senior Management", wherever it is used, shall mean Employees of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management team.

SECTION A

PRINCIPLES AND VALUES OF INEL

The primary goal of INEL is to create value for all its stakeholders vis-à-vis customers, shareholders, employees and the community at large who contribute their valuable resources for its success. To this end, INEL's strategies and its operative conduct aims at efficiency in the use of resources and ethical conduct taking into account the impact of its actions on all stakeholders.

In this section of the Code of Conduct and Business Ethics, Principles and Values are laid down which will act as the overall guideline in applying the specific actions covered in Section B. In case of any ambiguity in applying the specific actions, the principles and values of INEL as laid down hereunder will prevail:

- **Commitment to Compliance:** INEL commits itself to respect, both in its internal affairs and external relationships, the laws in force wherever it operates, as well as those ethical principles which are commonly accepted like transparency, fairness, loyalty and good faith. INEL commits to abide by the rules for protection of fair competition. INEL will comply with both the letter and the spirit of the law. INEL will ensure adherence to Internal Controls as evidenced by Policies, Procedures etc;
- **Commitment to Cultural Values:** INEL will honor and imbibe the culture, history and the rich heritage of the founders of TVS Group as well as the customs of each region where it operates. INEL will strive trustworthily to operate with respect for people, and promote business activities to earn the trust of all our stakeholders, under the leadership of our management.
- **Commitment to Honesty and Ethics:** INEL commits to honest and ethical conduct in all facets of its operation. INEL shall handle all conflicts of interest between personal and professional relationships with utmost care so as to not compromise on stakeholder's value. INEL will ensure full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with or submits to relevant authorities and in all other stakeholders' communications.
- **Commitment to Stakeholders:**
 - INEL will develop & provide products and services of high quality promptly with advanced technology corresponding to or exceeding customer expectations and strive for "Customer Delight". INEL honours intellectual property rights and will strive not to infringe such rights. INEL shall protect personal information of customers and everyone else we deal with.
 - INEL commits to provide a safe and healthy working environment to all our employees. INEL will build and share a sense of mutual trust and responsibility with employees through sincere communication and dialogue. INEL will support fair work conditions, provide opportunities for growth, will encourage diversity in work force and will honor human rights. INEL will not tolerate any form of forced or child labor or any conduct and behaviour promoting unsafe, unhealthy and unproductive workplace.
 - INEL will strive to enhance corporate value with long-term growth. INEL commits to balance the short term rewards with long-term value creation for shareholders and will strive to avoid risk taking in excess of its Risk Appetite while acting upon

corporate opportunities. INEL will strive for transparency through timely and fair disclosure regarding our operating and financial conditions.

- INEL commits to all its suppliers throughout the world that it will deal with fairness in all business transactions. INEL will respect our suppliers as business partners, and aim for mutual growth based on mutual trust.
- INEL is committed to sustainable growth with the common interest of all stakeholders, both present and future. All our activities shall be carried out respecting the environment and public health. INEL commits to adopt environmentally friendly production technologies and methods, with the aim of reducing the environmental impact of its activities. INEL will endeavour to give back to the community at large more than what it draws from it in the form of natural and other resources.

SECTION B

SCOPE

The Code covers the following main areas of Ethical and Responsible business behaviour:

1. Conflict of interest
2. Compliance
3. Insider Trading
4. Gainful Employment
5. Prevention of Fraud
6. Bribery and Kick-backs
7. Theft
8. Confidentiality
9. Use of company property
10. Corporate Opportunity
11. Gifts and Hospitality
12. Ethical Purchasing Conduct
13. Fair Competition
14. Health & Safety
15. Human Rights
16. Intellectual Property
17. External Communication
18. Conduct Detrimental to Company
19. Delegation & Assignment

1. CONFLICT OF INTEREST

Decisions and actions taken by an employee in the course of his/her employment with the Company should be based on the best interest of the Company, and not based on personal relationships or benefits. Each of us has a responsibility towards the Company and its stakeholders. Although this duty does not prevent us from engaging in personal transactions and investments, it does demand that we avoid situations where a conflict of interest might occur or appear to occur, or where one's ability to exercise independent judgement in the Company's best interest is compromised.

Conflict of interest typically occur when the private activities of Employees or immediate members of their families clash with the business interests of the Company, raising doubts about the quality of the business decisions made and potentially the integrity of the person making those decisions.

- Business dealings with relatives, outside employment or activities, investments, and private arrangements with suppliers may be sources of conflicts of interest
- Promptly disclose any potential conflict of interest to your manager, department head, HR Team and / or the Compliance Officer; discuss it openly and document it in writing for future reference
- Having disclosed a conflict of interest, excuse yourself from any decisions until the conflict has been resolved. In some cases, it may be necessary to withdraw completely from any work on the relevant transaction
- All discussions and decisions relating to a conflict of interest will be regarded as records and will therefore be minuted and filed accordingly
- No employee should be employed by, serve as a director of, or receive payments for services to a company that is a material customer, supplier, distributor or competitor of the Company without the advance approval of the Board of Directors. Any outside activity must be strictly separated from employment by the Company and should not harm the Company's interests, the business of the Company or job performance at the Company.
- Since the situations for conflict of interest are broad and many, it would be impractical to attempt to list all possible situations. However, a few scenarios are presented below:
 - When an employee takes action or has interests that may make it difficult to perform his/her work objectively and effectively,
 - The receipt of personal benefits by a member of the employee's family as a result of his/her position in the company,
 - Any outside business activity that detracts from an individual's time and attention to his/her responsibilities with the Company,

- Receipt of non-nominal gifts or excessive entertainment from any person/Company with which the Company has current or prospective business dealings,
 - Any significant ownership interest in any supplier, customer, development partner or competitor of the Company. In such cases, this needs to be declared to the HR Team and / or the Compliance Officer.
 - Any consulting or employment relationship with any supplier, customer, business associate or competitor of the Company.
- No Employee should seek or accept any material (as to him or her) payment, personal benefits or favours because of his or her position with the Company which might reasonably be believed to influence business transactions or which are not within the bounds of customary business hospitality. Please see **Gifts and Hospitality** below for additional guidelines in this area.
- Employees may not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. The appearance of a conflict of interest is most likely to arise if an employee has an investment in a competitor, supplier, customer or distributor and his/her decision may have a business impact on this outside party. No employee, unless approved by the Board of Directors/ Audit Committee, should have a significant financial interest (ownership or otherwise) in any company that is a material customer, supplier or competitor of the Company. A significant financial interest means (i) ownership of greater than 1% of the equity of a material customer, supplier or competitor or (ii) an investment in a material customer, supplier or competitor that represents more than 5% of the total assets of the employee.

2. COMPLIANCE

In business, we may encounter situations where compliance and ethical practices would seem to be against the company's interests. However, in the medium to long term, doing the right thing benefits the company. Compliance with Law and Policies can never conflict with the company's best interests, and integrity will never put the company at a disadvantage.

Compliances can be segregated into following categories:

- **Regulatory Compliances:** All Employees of the Company have a responsibility to abide by statutes, guidelines, notifications and regulations issued by regulators of the sector in which it carries out its business operations.
- **Statutory Compliances:** All Employees of the Company have a responsibility to ensure strict observance to statutory provisions contained in all the general laws applicable to the Company

like Corporate Laws, Labour Laws, Environmental Laws, Administrative Laws, Tax Laws and other categories of Local Laws as may be applicable from time to time.

- **Other Compliances:** All Employees of the Company have a responsibility to comply with the company's internal policies and fair practices guidelines, in addition to the above regulatory and statutory compliances.

The following is an illustrative list of Company's internal policies:

- Code for Prevention of Insider Trading and Corporate Disclosure Practices
- Prevention of Sexual Harassment Policy
- Document retention and archival policy
- Corporate Compliance Policy
- Whistleblower Policy
- All policies forming part of Internal Financial Controls and all Board level policies

The policies are available to all employees in hard/ soft copies upon request and shall also be made available in the Company's website/ intranet. Certain policies like the Prevention of Sexual Harassment Policy, Whistleblower Policy are displayed in a conspicuous place/ notice board for the reference of all the Employees.

3. INSIDER TRADING

Strict compliance with the Code of Conduct relating to Insider Trading and Fair Disclosure and the Regulations laid down by the SEBI is absolutely mandatory for all employees to whom the said policy is applicable. Non-compliance of such norms may not only entail disciplinary actions, but may also result in criminal charges.

Detailed guidance on the said policy shall be had from the Code of Conduct relating to Insider Trading and Fair Disclosure posted at the Company's website.

4. GAINFUL EMPLOYMENT

INEL will not restrain employees from working outside business hours provided that the employees do not undermine or compromise the interests of INEL.

Any gainful business, including advising/consultancy engagement by the employees outside of working hours is subject to the following restrictions:

- Employees must avoid situations that might bring their own interests into conflict with those of the Company.
- Employees must refrain from taking up employment elsewhere (whether part or full time) even if he/she is on leave.
- Whenever an employee is invited to teach in Professional Colleges/Universities or by Professional Bodies/Associations, prior permission of the President or Head of HR is necessary in writing. Permissible information that can be shared shall be mentioned as part of the permission. Employee shall refrain from using Company specific data or proprietary information of the Company.

5. PREVENTION OF FRAUD

Fraud shall include any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.

Fraud may be committed by one person or by two or more (collusion) and may involve internal and/or external parties such as suppliers or customers. The Company maintains a zero tolerance approach for its employees and business partners with regard to fraud.

All Employees are responsible for ensuring that they are aware of fraud risks pertaining to their area and the controls in place to prevent or detect frauds and shall also be responsible for tracking the effectiveness of controls on an on-going basis. Each Employee must make him or herself familiar with the types of improprieties that might occur within his/her area of responsibility, and must orient their personnel to be alert to any indications of potential fraud. Employees that detect or suspect any fraud must immediately report the matter through the Whistleblower mechanism as detailed in the Company's Whistleblower policy. In addition, the Company may initiate random checks to verify compliance with this Code of Conduct.

6. BRIBERY AND KICK-BACKS

The Company and its Employees shall not offer or provide or receive any undue monetary or other advantage to/from any person or persons, including public officials, customers, vendors or employees, in violation of laws and the official's legal duties in order to obtain or retain business or for the purpose of receiving any other illegitimate favour. In case any

public official seek illegal gratification from the Company, the same shall be reported to the Managing Director and the Chief Executive Officer/ President by the concerned employee/ consultant dealing with the said official for determining the further course of action under relevant Law.

Bribery is the offer, promise, giving, demanding or acceptance of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Under the Prevention of Corruption (Amendment) Act, 2018, the persons who face a request or demand for illegal gratification from a public official shall be liable to report it to concerned authorities within a specified time frame. Failure to do has been recognised as an offence with severe consequences for the Company. Further, Directors/ Secretary and any other Official of the Company are vicariously liable under the said Law.

A kickback is compensation of any kind directly or indirectly accepted by an Employee from a vendor, contractor or subcontractor competing for or doing business with the Company, for the purpose of influencing the award of a contract. Kickbacks can include:

- Money
- Fees
- Commissions
- Credits
- Gifts or gratuities
- Other Rewards that could indirectly lead to monetary benefits

Please note that any Gifts and Hospitality accepted as Bribe or Kick-back will tantamount to violation of Code of Conduct irrespective of its quantum and nature.

7. THEFT

The organization has zero tolerance for theft of any kind. Any instance of theft will have consequences and could be grounds for suspension and termination of employment.

The organization may conduct an internal investigation during which the suspected employee may be suspended without pay. Based on the results of the investigation, the employee might be terminated, with or without demand of restitution and furthermore the appropriate authorities will be notified. Depending on the nature of theft, the Company reserves the right to pursue appropriate legal and/or criminal action against the employee. The following are a few examples of theft that may lead to suspension, termination of employment and legal action:

- Theft of Company Merchandise
- Theft of personal property from another employee
- Theft of customer owned property or materials
- Theft of Company owned assets including equipment and software
- Personal or unauthorized use of organizations issued purchasing cards
- Fraudulent expense reports, TE bills or reimbursement claims
- Embezzlement of company funds
- Misappropriation of Company designs, drawings and other intellectual property

8. CONFIDENTIALITY

Certain confidential information is critical to the success of a business in a competitive marketplace and must be protected. All Employees must take appropriate steps to protect the confidentiality of Company information and keep confidential personal information belonging to any stakeholders that comes into his possession. Unless authorised by the Managing Director in writing or is absolutely necessary as part of official duty or a Confidentiality and Non-Disclosure Agreement has been executed, confidential information shall not be shared to anyone by any Employee.

Following are some examples of the most common types of confidential information; however, the list is not exhaustive:

- Trade secrets and know-how
- Pending patents and trademarks
- Company financial information and results before publication
- Business ideas, processes, plans, proposals
- Capacity and production information
- Marketing or sales forecasts and strategies
- Customer information
- Price lists
- Business strategies
- Supplier data
- Business leads
- Technology and R&D development information
- Employees' personal records / data
- Information about acquisitions and disposals
- Information related to litigation

The following questions may be answered by the employees to ensure Confidentiality:

- Make sure you do not leave confidential information in places where others may find it
- Avoid discussing or working with confidential information in a public area where a conversation may be overheard or the data accidentally disclosed
- Make sure that you are not disclosing a previous employer's confidential information without the consent of that employer
- *Any employee who leaves the service of the Company will still be liable to safeguard the confidential information he obtained during the course of his/her employment.*

9. USE OF COMPANY PROPERTY

Employees should protect the Company's assets and ensure their efficient use for legitimate business purposes only. Theft, carelessness and waste have a direct impact on the Company's profitability. The use of Company funds or assets, whether or not for personal gain, for any unlawful or improper purpose is prohibited.

To ensure the protection and proper use of the Company's assets, each employee should:

- Exercise reasonable care to prevent theft, damage or misuse of Company property
- Report the actual or suspected theft, damage or misuse of Company property to a supervisor
- Use the Company's telephone system, Internet access, e-mail, voice mail, computers, desks, cabinets, vehicles, software, other electronic communication services, written materials and other property primarily for business-related purposes
- Safeguard all electronic programs, data, communications and written materials from inadvertent access by others
- Use Company property only for legitimate business purposes, as authorized in connection with your job responsibilities
- Ensure that confidentiality of the password to Company's network is maintained

In certain instances, equipment may be assigned to an employee for personal use. This equipment must be returned to the organization upon cessation of employment or upon request.

Employees should be aware that Company property includes all data and communications transmitted or received to or by, or contained in, the Company's electronic or telephonic systems. Company property also includes all written communications. Employees and other users of this

property should have no expectation of privacy with respect to these communications and data. To the extent permitted by privacy laws, the Company has the ability, and reserves the right, to monitor all electronic and telephonic communication. These communications may also be subject to disclosure to law enforcement or government officials.

Only authorised software may be loaded on devices connected to Company's communication network and Copying of licensed software is prohibited.

Use of any Company property, including e-mail for unlawful, defamatory, obscene or other inappropriate communication and storage of illicit/ unlawful media, or materials is prohibited. Employees should also refrain from using any Company system for purposes of advertising, soliciting or for the purpose of trading / any sort of dealing in Securities, Commodities etc.

10. CORPORATE OPPORTUNITY

Employees have an obligation to advance the Company's interests when the opportunity to do so arises. If you discover or are presented with a business opportunity through the use of corporate property, information, your position with the Company or because of the experience and expertise arising due to your employment with the Company, you should first present the business opportunity to the Company before pursuing the opportunity in your individual capacity.

No employee may use corporate property, information or his/her position with the Company for personal gain or for any other person or entity's gain, and no employee should compete with the Company or deprive the Company of any business opportunity or benefit which could be construed as related to any existing or reasonably anticipated future activity of the Company.

Employees who learn of such opportunity through their association with the Company may not disclose it to a third party or invest in the opportunity without first offering it to the Company.

11. GIFTS AND HOSPITALITY

In principle, there is nothing wrong with receiving or giving gifts of appreciation of modest value or accepting or providing reasonable hospitality to expand and enhance a business relationship. Each employee must exercise good judgement, common sense and moderation when deciding what is acceptable and what is not.

The following points should be considered while determining the appropriateness of Gift & Hospitality:

- Accepting or offering any gift or hospitality that makes the recipient feel obliged to act in a certain way or even appear to do this, is unacceptable and is in violation of our Code
- Hospitality/entertainment may only be offered or accepted in the normal course of doing your job provided it is reasonable and modest and does not influence or appear to influence your actions
- Hospitality and entertainment must not contravene local laws or ethical standards, including the ethical policies of the other party's organisation
- Giving and receiving promotional items of nominal value is acceptable, for example company-branded gifts such as pens, clothing, stationery etc
- When hosting an event, ensure that all business partners involved are treated equally and transparently
- All expenses must be properly recorded in reasonable detail such that they accurately and fairly reflect the true nature and the amount of the expense and can be related directly to a business purpose
- All Gifts whose value is above Rs. 2,000/- shall be handed over to the HR Head. The HR Head shall decide whether to allow the employee to retain the said Gift or to appropriate it to Company's account.
- All prize money received by employee by participating in an event, competition etc shall be retained by the employees with a communication to the HR Head.

Key questions to be answered:

Employees should always consider the following questions when considering giving or receiving gifts or hospitality:

- Would the gift or hospitality influence or appear to influence my objectivity or that of the other party?
- Would my ability or that of the other party to carry out our jobs properly be compromised?
- Is the hospitality relating to business or is it almost private?
- Would the gift or hospitality be considered out of the ordinary?
- Is my gift or hospitality designed to make someone do something they would not otherwise have done?
- If disclosed would I or the recipient be embarrassed?

If the answer to any of these questions is 'yes' or 'perhaps' or could be perceived by third parties to be 'yes' or 'perhaps', Employees should not accept the gift or hospitality.

12. ETHICAL PURCHASING CONDUCT

While selecting and dealing with a supplier, vendor or contract service provider, the employees are expected to uphold the highest degree of professional integrity. Purchasing decisions are to be strictly based on objective criteria such as price, quality and service.

The following points should be considered while determining the appropriateness of the purchasing conduct:

- The employee and/or their relatives or associates should not have any personal interest or investment in the supplier or contractor as it would influence their objectivity when making purchase decisions.
- If there is a relation or connection between the employee and the supplier/contractor, then the employee must disclose it to his/her reporting senior.
- The employees must avoid any association or transaction with a supplier/contractor that could interfere with their exercise of sound business judgement or give the appearance of impropriety.
- If the employees note any information or behaviour on the part of any supplier, vendor or contract service provider, which will adversely impact the Company in any way, the same shall be brought to the immediate attention of the respective Head of Department/ President.
- Employees are not permitted to accept gifts of any kind of whatsoever value in connection with a purchase or sale transaction, notwithstanding anything to the contrary contained in this policy.

13. FAIR COMPETITION

We are committed to lawful and free competition and to competing rigorously only on the merits of our products and services. We abide by all applicable competition laws. This means that no employee or business partner should engage in any kind of understanding (written or verbal) with present or future competitors on pricing, market allocation or any other matter that might restrict competition and/or distort the market.

The following points should be taken as guidelines for the purpose of ensuring that no one breaches or appear to breach the Code on Fair Competition:

- Do not deal with, contact or engage with competitors that may create a potential conflict with the provisions of competition law.
- Do not share or part with company specific information in an industry forum or enter into agreements with competitors on any matter unless you have consulted with the legal department in advance.
- Do not enter into agreements that may be constructed as abuse of dominance or restrictive trade practices such as price fixation, exclusive tie in arrangements, limiting the supply of goods or services, collusive bid rigging or predatory pricing.
- Do not engage in any contact with competitors where price, markets or customers are discussed.
- Ensure that any meetings with competitors are for a lawful purpose, for example, in the context of trade association meetings or benchmarking exercises that have been approved by the Compliance Team.
- Gather market intelligence through lawful means and decide commercial strategies independently in the light of that intelligence.
- Do not seek to obtain sensitive market information from competitors.
- Employees may participate in an exchange of aggregated industry data, as long as it does not disclose company-specific information and is compiled by an independent third party to maintain confidentiality.
- Employees may occasionally buy from or sell goods or services to a competitor, as long as any information exchanged in this context is strictly limited to what is required for that particular transaction.

14. HEALTH & SAFETY

We have no higher priority than safety. The Company shall be responsible for safeguarding the health and safety of the employees and all those who work for and with us at our locations. We also share responsibility for the health and safety of people in the communities in which we work.

The following provides appropriate guidance in this matter:

- Do not make, handle, use, transport or dispose of any product unless you can do so safely
- Be committed to providing a safe and healthy working environment for all employees and other colleagues, and to prevent all work-related injuries and illnesses
- Safety is our responsibility, whatever the function or position

INEL believes that:

- All injuries can be prevented.
- Safe behaviour and respect for safety rules is a condition of employment.
- All work environment exposures can be controlled.
- No job is so important that it is acceptable to do it in an unsafe manner; we will audit and measure performance continuously in order to improve.
- Facility and behavioural audits and detailed incident investigations are key to identifying and controlling safety and health risks.
- Good safety is good business.

Therefore, it is employee's responsibility to:

- Take part in all relevant safety training.
- Ensure they are aware of the Environment, Health & Safety Policy and adhere to it.
- Ensure they know and understand all relevant safety procedures, work instructions and standards and enforce them.
- Address promptly any unsafe conditions and unsafe acts.

15. HUMAN RIGHTS

We are committed to providing a workplace built on the essential ingredients of trust, honesty, fair treatment and respect for core human values.

The following directly impinges our commitment to Human Rights and hence needs to be avoided/ensured, as the case may be, at all costs:

- **Child labour** is not allowed under any circumstances. A child is defined as any person under 14 years of age.
- **Forced labour:** all employment relationships are of a voluntary nature. We do not allow the use of forced labour under any circumstances.
- **Wages:** we pay wages at least equal to the relevant legal minimum plus any associated statutory benefits.
- **Working hours:** (regular and overtime) reflect applicable national and local legal regulations. When overtime hours are required, we make every effort to minimize their impact on employees.
- **Respect:** we treat all our employees and business partners with respect and fairness.

- **Discrimination:** We do not discriminate on the basis of caste, creed, religion, sex, language, region etc. Diversity of people, backgrounds and thought contributes to our success.
- **Harassment:** we do not tolerate harassment of any nature or bullying of any of our employees or others who come onto any of our sites. All our employees and business partners are expected to respect for one another.

16. INTELLECTUAL PROPERTY

All products, literary, dramatic, musical, cinematographic and artistic works, computer programs, material in written or other format, discoveries, inventions and improvements in relation to such matters, together with all copyright and intellectual property created, authored, discovered, developed or produced by the employee for the purpose of, or in the course of, the employee's employment will remain the property of the INEL and will not be used by the employee other than for the purpose of the Company's business. Similarly, any Intellectual Property belonging to INEL's Customers, Suppliers and other Service Providers, that comes into the possession of the employee during the course of employment with INEL, shall remain confidential (Refer the obligation to Confidentiality elsewhere in the Code)

INEL retains the Intellectual Property rights over the work produced by employees during the tenure of employment with INEL, except if it is produced purely in a personal capacity without using any resources or know-how of INEL. Upon termination of employment the employee shall return all correspondence, documents, data, information, equipment and things, including copies thereof, belonging to INEL/ INELs customers, suppliers or service providers, that may be in the employee's possession, custody or control.

17. EXTERNAL COMMUNICATION

Employees making comments in a public forum or on social media on any matter relating to INEL must act in a way that is in keeping with the values and protects the reputation of INEL. Only authorised personnel may speak with the media on behalf of INEL. Employees are not permitted to speak with media representatives without first receiving clearance from the President/ CEO. Employees are strictly prohibited from storing, transmitting, copying or reproducing any internal matters, developments or communications relating to the Company in or through social media or other physical or electronic modes of communication.

Employees are requested to refer to the Company's Code on Fair Disclosure posed in the website for guidance on the above subject. However, employees are free to express their personal views and opinions in social media without hinting at or expressing that the views and opinions are associated with or connected to the Company.

18. CONDUCT DETERIMENTAL TO COMPANY

In addition to behaviour outlined in other sections of this Code, the following is a list of job-related behaviour, which the Company considers inappropriate and therefore subject to corrective disciplinary action that may result in immediate termination include, but are not limited to the following:

- Falsifying any timekeeping record, expenses report or any other report or record
- Insubordination
- Falsifying or supplying misleading or inaccurate information in the Company employment applications or records
- Violation of Company's HR Policies or Procedures
- Refusal to sign Organization's employment application, employment agreement, or any other forms required for employment by the Organization

19. DELEGATION AND ASSIGNMENT

No employee shall delegate their powers unless specifically authorised by the Board. They shall also not assign their office to anyone else. In case any employee delegates any of their duties, powers and responsibilities to another person with due approval of the Board, they shall still remain fully accountable and responsible for the acts and omissions of the delegatee and shall be responsible to report to the Board the performance of the delegatee.

20. INDEPENDENT DIRECTORS

The duties of Independent Directors shall be as laid down in Schedule IV of Companies Act, 2013 which is incorporated in this document as Appendix 1.

21. AFFIRMATION & TRAINING

All employees covered by this Code of Conduct, shall, at the time of joining the services of the Company (or) being appointed to the Board, shall read through the contents of this Code of

Conduct and confirm having gone through and undertake to abide by the contents each financial year in the format given in Appendix 2.

Employees have to affirm adherence with the Code within 30 days from the end of the year (i.e. within 30th April) to the Compliance Officer/ Unit HR Head in the format given in Appendix 2.

All employees are expected to attend training sessions as and when organized by the Company to train employees on policies, procedures, processes including their responsibilities as employees and the best way to discharge them, as well as any business related training.

22. CONSEQUENCES OF NON COMPLIANCE

Any deviation from this Code shall be determined by the Board of Directors in case of members of the Board; Ethics Committee constituted under the Whistle Blower Policy for all others. Consequences may include serious disciplinary action, removal from office as well as other remedies. This will be in addition to any legal actions that may arise out of such non-compliance.

23. AMENDMENT

The Board may in their absolute discretion, reserve the right to modify this code as deemed expedient from time to time and shall be notified to all concerned.

24. REPORTING OF VIOLATIONS

All violations of the Code and all requests for clarifications on the Code can be reported at/ raised as per the Company's whistle-blower policy.

Arvind Balaji
Managing Director

DUTIES OF INDEPENDENT DIRECTORS

The independent directors shall—

- 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 behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- Acting within his/her 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.

CODE OF CONDUCT AND BUSINESS ETHICS DECLARATION

For initial declaration

I, _____, declare that I have read and understood the code of conduct of India Nippon Electricals Limited and agree to abide by its contents.

For continuous (annual) declaration*

I, _____, do hereby solemnly affirm that:

- a) I am fully acquainted with the provisions of the Code of Conduct and Business Ethics of India Nippon Electricals Limited (the Company) posted in the Company's website.
- b) Wherever I had any doubts or clarifications, I had approached the Company (for Directors) / my Department Head/ HR Head (for employees) for guidance and obtained necessary clarifications to ensure that I act in accordance with the provisions of the Code of Conduct and Business Ethics.
- c) To the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct and Business Ethics in letter and spirit during the financial year ending 31st March, 20____.

Name:

Sign:

Date:

Location:

Designation:

Division:

*To be submitted on or before 30th April each year.

Policy approved on
10th February, 2020.