



## **Code of Conduct**

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# **For Directors & Senior Management of MSL DRIVELINE SYSTEMS LIMITED**

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*Approved by the Board of Director on 2 February 2016 (as updated from time to time)*

### **INTRODUCTION**

MSL DRIVELINE SYSTEMS LIMITED (“the Company”) is committed for conducting its business strictly in accordance with the applicable laws, rules, and regulations and with highest standards of business ethics. With a view to maintain the required high standards, the Company has framed the following set of rules / Code of Conduct which should be observed in all the activities of the Company.

The principal duty of the Board of Directors and the Senior Management personnel is to ensure that the Company is well managed in the interests of its shareholders and stakeholders. The Board of Directors plays the central role in the Company’s governance. It is the Company’s decision-making authority on all matters except those reserved to shareholders or delegated to the Senior Management personnel. The Board of Directors is not expected to assume an active role in the day-to-day management of the Company.

We, the directors and the Senior Management personnel of MSL DRIVELINE SYSTEMS LIMITED, understand this responsibility and are committed to it. We believe that each director and the Senior Management personnel, by agreeing to serve as a director and the Senior Management personnel has agreed to read, understand and adhere to this Code of Conduct for MSL DRIVELINE SYSTEMS LIMITED’s Directors and the Senior Management personnel (the "Code"). Each director and the Senior Management personnel is expected to sign, on request, a written acknowledgement confirming compliance with this obligation.

### **APPLICABILITY & SCOPE**

The said code is applicable to all Board members and senior management personnel of MSL DRIVELINE SYSTEMS LIMITED.

The term “senior management” shall mean personnel who are members of the core management team of MSL DRIVELINE SYSTEMS LIMITED. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

This Code of Conduct has been adopted by the Board and is to be strictly observed for the governance of Good Corporate Practices. Any issue relating to the interpretation of



this Code will be handled by the Board or by any person / committee authorized by the Board in this behalf.

Further the Secretary of the Company is appointed as the compliance officer for the purposes of this code. He will be available to answer any questions, provide clarification and to help in the compliance with this code.

## **GUIDELINES FOR CONDUCT**

The Directors and senior management personnel should exercise due care and diligence in the performance of his/her duties, be loyal to the Company and act in good faith and in the best interest of the company. A director should ensure that:

- (a) exhibit high standards of integrity, commitment and independence of thought and judgement.
- (b) dedicate adequate time, energy and attention to ensure the diligent performance of his/her duties including making all reasonable efforts to attend Board or Committee Meetings and act in accordance with the Articles of Association of the Company.
- (c) 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.
- (d) exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (e) not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (f) not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (g) not assign his office and any assignment so made shall be void.
- (h) comply with every provision of this Code.

## **COMPLIANCE WITH APPLICABLE LAWS**

In the discharge of their duties and responsibilities, Directors must comply with all applicable laws, rules and regulations.



## **CONFLICTS OF INTEREST**

The Directors and senior management personnel shall not engage in any activity, business, or relationship, which may be in conflict with the interest of the Company or prejudicial to 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 of the Company.

## **CORPORATE OPPORTUNITY**

Directors and Senior Management personnel shall not:

- (a) compete with the Company; or
- (b) take for themselves personally any business opportunities that belong to the Company or are discovered through the use of corporate property, information or position; or
- (c) use corporate property, information or position for personal gain.

## **DISCLOSURE OF INTEREST AND DIRECTORSHIP IN OTHER BODY CORPORATE**

The Directors and Senior Management personnel shall fully report / disclose at the time of their appointment and subsequently whenever there is a change within one week or within such time as prescribed by the applicable laws, their relationships with other individuals, firms or other body corporate which in the opinion of the board may affect their independence of judgment to the Board.

## **CONFIDENTIALITY**

All Directors must maintain the confidentiality of confidential information entrusted to them or disclosed or acquired by them in carrying out their duties and responsibilities, except where such disclosure is authorised by the Company or is required by laws, regulations or legal proceedings. The term "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company or harmful to the Company or its customers, if disclosed. Whenever feasible, Directors should consult the Managing Director of the Company or the Compliance Officer if they believe they have a legal obligation to disclose confidential information.



## **FAIR DEALING**

Directors should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers and employees. No Director shall take unfair advantage of the Company's customers, suppliers, competitors or employees through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. Gifts or entertainment in any form that is likely to result in a feeling of expectation of personal obligation should not be extended or accepted.

## **PROTECTION AND PROPER USE OF COMPANY'S ASSETS**

Directors should perform their duties in a manner that protects the Company's assets and ensures their efficient use. The Company's assets should be used for legitimate business purposes.

## **REPORTING OF ANY ILLEGAL OR UNETHICAL BEHAVIOR**

Directors are encouraged to promptly contact the Managing Director of the Company or the Compliance Officer if the 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 the Company's behalf or any violation or possible violation of this Code and the reporting Director has any doubt as to the best course of action in a particular situation. Confidentiality will be maintained, to the extent permitted by law.

## **COMPLIANCE WITH THE CODE**

All Board members and senior management personnel shall affirm compliance with the code on an annual basis.

## **AMENDMENT, MODIFICATION AND WAIVER**

This Code may be amended, modified or waived only by the Company's Board of Directors and must be publicly disclosed if required by any applicable law or regulation. As a general policy, the Board will not grant waivers to the Code.

## **REPORTING AND CONSEQUENCE OF NON COMPLIANCE WITH THIS CODE**

Suspected violations of this Code must be reported to the Chairman of the Board or of the Audit Committee which should be appropriately investigated and appropriate disciplinary action will be taken on the conclusion of the enquiry by the Board which may even include a request to resign as Director or officer of the company if permitted by applicable laws and is in the best interest of the company.



## **RIGHT CREATED**

This Code sets forth guidelines for conduct for the Board of Directors and Senior Management personnel. 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.

The Company expressly retains the right to unilaterally modify or amend these rules at its sole discretion, with or without notice to the Company's employees.

## **DISCIPLINARY ACTIONS**

The Board of Directors shall have the right to take disciplinary actions, which may include immediate termination of employment or business relationship at the Company's sole discretion against any person whose actions are in violation of this Code of Conduct.

Thank You!



## Acknowledgement

I acknowledge that I have received the MSL DRIVELINE SYSTEMS LIMITED Code of Conduct. I have read the Code of Conduct and I acknowledge that as a director / employee of MSL DRIVELINE SYSTEMS LIMITED, I am required to comply with the guidelines described therein and failure to do so may subject me to disciplinary action, up to and including termination and, if applicable, to criminal or civil proceedings.

I understand that if I have a concern about a violation or a potential violation of the MSL DRIVELINE SYSTEMS LIMITED Code of Conduct, I must promptly report the violation to the Managing Director or Compliance Officer.

Signature :

Name :

Department :

Address :

Date :