



***Policy on Code of Conduct***

## **CODE OF CONDUCT**

### **1. PURPOSE:**

This Code of Conduct Policy is framed to guide the conduct of Key Personnel of the Companies to ensure that their way of working, governing towards the business will be conducted with honesty and integrity, and to provide a mechanism for disclosure leading to informed decisions on matters involving the business ethics of the Company.

The Key Personnel are strong base behind the successful governing of Business and they are entrusted with the responsibilities that their governing should not harm the business values and ethics and this is basic purpose of this policy. The Key Personnel shall act within the bounds of the authority conferred upon him and will be under a duty act diligently and to make and take informed decisions and policies in the best interests of the Company, its shareholders and stakeholders.

Key Personnel should abide with various legal laws, Regulations and rules governing by various acts such as Companies Act, 2013. Listing Agreement and this code of conducts includes such various laws, regulations and rules to make them aware about their duty/responsibility which needs to comply with.

The Code does not attempt to be comprehensive or cover all possible situations. It encourages each and every Director and Senior Management to take positive actions which not only commensurate with the values and beliefs, but are also perceived to be so.

### **2. APPLICABILITY:**

This code is applicable to the Board Members including Independent directors and senior management personnel, members of the Management Committees and one level below the Executive Directors and all head of Departments (Herein after referred to as Concerned Personnel). All concerned must read, understand and ensure to abide by it in their day to day activities. They may contact **Mr. Rupesh J. Mehta**, Managing Director of the Company in case any query relating to compliance of this Code.

### **3. GENERAL CODE OF CONDUCT FOR ALL CONCERNED PERSONNEL:**

All concerned personnel must read, understand and ensure to abide by below mentioned general Code of Conduct in their day to day activities. They may contact They may contact Mr. Rupesh J. Mehta in case any query relating to compliance of this Code.

In performing their duties/function, all Concerned Personnel Shall

- Deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards.



- Act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated.
- Act in the best interests of the Company and fulfill the fiduciary obligations.
- Not use any confidential information obtained by them in the course of their official duty, whether from the Company or otherwise, for personal gain, or use / allow the use of such information for the financial benefit for any other person.
- Maintain the principle of need to know and also confidentiality of all material non-public information about the Company, its business and affairs.
- Not share any information regarding the Company, its business and/or affairs with media without the prior approval of the Corporate Disclosure Officer.
- Not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the Company.
- Abide by all applicable laws and regulations including the Company's Prohibition of Insider Trading code. Non-public sensitive information about the Company which might influence market price of the shares of the Company should be kept in strict confidence until publicly released in accordance with the applicable legal requirements and stock exchange regulations. Directors/Officers shall not derive any personal benefit or assist others to drive benefit by giving advice of such nature. The Company is committed in complying with SEBI (Insider Trading Prohibition Regulations), 1992.
- Not use their status to seek or accept any personal gains or favors from those doing or seeking to do business with the Company or from other employees of the company.
- Not accept gifts in cash or kind, either by themselves or by their close family members, particularly if this is likely to lead to a business relationship with the Company.
- Not employ any of their relatives or deal with them on Company's behalf without proper authorization, obtained after disclosing their relationship.
- Treat all employees with dignity, respect and concern and treat them on parity at all times.
- Not hold position of Director/Advisor with a competitor company.
- Inform the Chairman of changes in their interests that may interfere with their ability to perform their duties, and in the case of "independent directors", impact their independence as a Board member.





- Serving as a Director of any company that directly competes with the Company and its subsidiary and associates may raise substantial concern about potential conflicts of interest. All relationships as Director of other bodies corporate shall be reported to the Board of Directors under the applicable provisions of the Companies Act, 2013.
- Before making substantial investment the Director/Officer shall take permission from the Board of Directors of the Company. As a general rule, Director before conducting Company business with a relative and/or with a business in which a relative is associated in any significant role, must disclose their interest before the Board of Directors of the Company and comply the provisions of the Companies Act, 2013.
- In case of conflict of interest actual or potential if arise, when directly or indirectly a Director / Officer is in a position to derive a benefit for himself and / or for his relative by making any decisions or influencing the same relating to the Company transactions with a relative or with a business associates in which a relative is associated. In such case the Director / Officer shall not involve himself in negotiations pertaining to such transaction. A transaction, which may potentially result or appear to result in a conflict of interest, be unavoidable for the benefit of the Company, it is mandatory for the officer to seek approval from the appropriate authority.
- Safeguard/Protects the Assets of the Company. This includes Company properties, assets, proprietary manufacturing process, engineering designs, process technology, application knowledge, financial data, strategies, trade secrets, corporate information and other Company rights. Company assets are to be used solely to pursue and achieve Company goals and not for personal benefit, unless approved by the Board
- Comply with all applicable governmental laws, rules and regulations. Directors/Officers must acquire appropriate knowledge of law relating to their duties so as to enable them recognize potential danger in their areas and to know when to take advice from the appropriate authorities. Violations of applicable governmental laws, rules and regulations may invite criminal and or civil liability to the individual or Company.
- Comply with all applicable laws, rules and regulations, both in letter and in spirit. In order to assist the Company in promoting lawful and ethical behaviour, the Employee must report any possible violation of law, rules, regulation or the code of conduct to the Company Secretary and Compliance Officer.
- Provide the information in the reports which is required to be given as under statutes and / or applicable rules and regulations that the Company file with or submit to the stock exchanges, SEBI and / or any other government agency and in all other public communications made by the Company.



- A Director shall not be a member in more than ten committees or act as Chairman of more than five committees across all companies in which he is a director. Furthermore, every Director shall inform the company about the committee positions he occupies in other companies and notify changes as and when they take place

#### **4. CODE OF CONDUCT FOR INDEPENDENT DIRECTORS:**

Independent Directors shall adhere with below Codes as prescribed under Schedule IV of Section 149(8) of the Companies Act, 2013, along with all the aforesaid General Code of Conduct.

Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

##### **I. GUIDELINES OF PROFESSIONAL CONDUCT:**

An independent director shall:

1. Uphold ethical standards of integrity and probity;
2. Act objectively and constructively while exercising his duties;
3. Exercise his responsibilities in a bona fide manner in the interest of the Company;
4. Devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. Not allow any extraneous considerations that will vitiate his 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. Not abuse his 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. Refrain from any action that would lead to loss of his independence;



8. Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9. Assist the company in implementing the best corporate governance practices.

## **II. ROLE AND FUNCTIONS:**

The independent directors shall:

1. Help 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. Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. Satisfy themselves on the integrity of financial information and that financial controls and the 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.





**III. DUTIES:**

The independent directors shall—

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 of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
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 of the Board;
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 behaviour, 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.

## **5. COMPLIANCE WITH THE CODE OF CONDUCT:**

All Directors and Employees shall strictly comply with this Code of Conduct and if any suspected violation is noted it should be brought to the notice of the Board of Directors. Violation of Code of Conduct will be investigated by the Board or person/s designated by the Board and appropriate action will be taken. So far as the Directors are concerned, violation of the Code of Conduct shall be dealt with as per the Companies Act/SEBI regulations.

## **6. DISCLOSURES:**

It is the policy of the Company to provide the information in the reports which is required to be given as under statutes and / or applicable rules and regulations that the Company file with or submit to the stock exchanges, SEBI and / or any other government agency and in all other public communications made by the Company. This Policy shall also be hosted on the website of the Company. <http://www.macpowercnc.com/>

## **7. VIOLATIONS OF THE CODE:**

Directors / Officers should be alert to possible violations as it is part of their job and their responsibility to help enforce this code. They must cooperate in any internal or external investigations of possible violations, reprisal, threats, retribution, and retaliation against any person who has in good faith reported a violation or a suspected violation of law. Actual violations of law, this code or other Company policies or procedures should be promptly reported to the reporting authority.

## **8. WAIVER AND AMENDMENTS OF THE CODE:**

The Company will review and update this Code. Any amendment or waiver of any of the rules of this code shall be done with the approval of Board in writing and promptly disclosed in applicable regulatory filings pursuant to applicable laws and regulations together with details about the nature of the amendment or waiver.







## 9. AFFIRMATION:

All Directors and senior management personnel shall affirm compliance with this Code on an annual basis.

