# MANIKARAN POWER LIMITED

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

**PREFACE:**

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| **Title** | Code of Conduct for Directors and Senior Management |
| **Version No.** | 2.01 |
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| **Issued by** | Nomination and Remuneration Committee |
| **Approved by** | Board of Directors |
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# CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

## OBJECTIVE:

This Code of Conduct (hereinafter referred to as "the Code") has been framed and adopted by Manikaran Power Limited (hereinafter referred to as "MPL"/the Company). MPL defines Corporate Governance as a systematic process by which companies are directed and controlled keeping in mind the long term interest of the stakeholders. It firmly believes that good Corporate Governance is the foundation of corporate excellence.

MPL is committed to protect and enhance stakeholders' value, meeting its contractual obligations and conducting its affairs ethically and lawfully. In keeping with the core values of the organisation, the Board of Directors of the Company has adopted this Code of Conduct ("Code") together with the, policies & procedure that are intended to guide Directors and Senior Management of the Company in the performance of their duties and responsibilities and ensure compliance with the Company's commitment to ethical and lawful conduct.

## APPLICABILITY:

This code is applicable to all Directors of the Company and personnel of the senior management team of the Company.

However, in case any person is serving on the Board of the Company as a nominee of any institution or organization, this code shall apply to such persons during his tenure as a Director of the Company, subject to any thing contained herein which is repugnant to the Code of Conduct or the Service Rules of the institution or organization which has appointed such person as its nominee on the Board.

## DEFINITIONS:

In this Code, unless the context otherwise requires:-

**"Company"** means 'Manikaran Power Limited'.

**"Code"** means this 'Code of Conduct'.

**"Directors"** means a member of the Board of Directors of the Company including nominees of any institution or organisation or body.

**"Board"** means the Board of Directors of the Company.

**"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 Regulation of Securities and Exchange Board of India.

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

**"Senior Management"** means officers/personnel of the Company who are members of its core management team excluding board of directors and this shall comprise all members of management one level below ie."Chief Executive Officer/Managing Director/Whole Time Director/President/Vice President/Asst Vice President , in case they are not part of the board) and shall specifically include Company Secretary, Chief Financial Officer.

## CODE OF CONDUCT:

### Statutory Compliance

Every Director and Senior management personnel shall at all times discharge his/her responsibilities in order to ensure that there is total compliance with Laws, Rules and Regulations as may be applicable to the Company from time to time or to the transaction or to the person.

### Conflict of interest

Every Director and Senior management personnel shall avoid situations in which their personal interest could conflict with the interest of the Company.

Wherever such a situation is not avoidable, the person shall disclose the matter in writing to the Executive Director and in case of any Director, such disclosure should be made to the Board.

**Financial Reporting & Disclosures**

Personnel of the Senior Management shall make disclosures to the Managing Director relating to all financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company. In case of a Director such disclosure shall be made to the Board.

**Integrity of Data Furnished**

Every Director and Senior Management Personnel shall treat any data or information of the Company as confidential information and shall not disclose or transmit the same to any person who is not an employee or Director of the Company, without the permission of the Board or the Chairman of the Company, unless such disclosure is as per the requirement of any law or as may be required by the nominee of an institution serving on the Board of the Company or in course of discharge of his/her responsibilities.

**Proper Use of Company Assets**

Every Director and Senior management personnel shall at all times ensure proper use of the Company's Funds, assets and property.

**Suppression of Information**

No Director and Senior Management Personnel shall knowingly suppress a material fact, which can be detrimental to the interest of the Company.

**Progressive Work Environment**

Every Director and senior management personnel shall ensure that equal opportunities are given to all the employees in the organization without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, nationality, disability and veteran status.

They shall ensure that all employees are treated with dignity and the work environment is free of sexual harassment, whether physical, verbal or psychological.

**Healthy Competition**

Every Director and Senior management personnel shall adhere to fair and lawful competitive practices pertaining to the operation of the Company.

**Confidentiality of Information**

Every Director and senior management personnel shall ensure that no statement is given to the press or any other form of media without the due authorization of the Board of Directors of the Company.

**No Exploitation of situation for personal gain**

Every Director and senior management personnel must ensure that he/she does not exploit opportunities arising out of the place of work or in course of work, for personal gain.

**Respect for Human Values**

Every Director and Senior management personnel must at all time so conduct himself/herself, so as to give respect to humans and human values.

**Community Activities**

Every Director and Senior Management must endeavor that the Company remains to be a trusted corporate citizen and, as an integral part of the Society, fulfills its responsibilities and duties to the societies and communities in which it operates.

## 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:**

a. To uphold ethical standards of integrity and probity;
b. To act objectively and constructively while exercising their duties;
c. To exercise their responsibilities in a bona fide manner in the interest of the Company;
d. To devote sufficient time and attention towards your professional obligations for informed and balanced decision making;
e. 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;
f. 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;
g. To refrain from any action that would lead to loss of their independence;
h. Where circumstances arise which make an independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
i. 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.
14. 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.

## AMENDMENT TO THE CODE

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

## COMPLIANCE OFFICER

The Company Secretary shall act as a Compliance Officer and shall monitor compliances with the Chairman and Managing Director of the Company.

## PUBLICATION OF THE CODE

This Code and any amendments thereto shall be published / posted on the website of the Company i.e. www.manikaranpowerltd.in.

This Code had been approved by the Board of Directors with the belief that this would help all Directors and Senior Management to perform in accordance with the Company's business goals and plans and policies as well as in accordance with the laws, rules and regulations of the Country and the laws, rules and regulation of the Countries where the Company does intend to do business. Moreover, this code is more in the nature of guidelines as an all encompassing manual of human behavior is difficult to formulate. Therefore, Directors and Senior Management Personnel are advised to seek specific clarification from the Company Secretary, whenever any doubt arises in the mind of any individual.

All persons to whom the Code applies shall sign a statement affirming compliance with the Code during the previous financial year within 30$^{th}$May of every year.