



ARDEE ENGINEERING LIMITED

CODE OF CONDUCT FOR BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL

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1. INTRODUCTION AND OBJECTIVE:

The Company always endeavours to conduct the business in an ethical manner and create a work environment which is conducive to all the stakeholders, it deals with. The board members and senior management acts as trustee in the interest of all stakeholders of the Company by balancing conflicting interest, if any, between stakeholders for optimal benefit. The adoption of this Code of Conduct (the “**Code**”) by the Board stems from the fiduciary responsibility which the Board Members and the Senior Management Personnel have towards the stakeholders of Ardee Engineering Limited (the “**Company**”) and in compliance with Regulation 17(5)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”). In the observance of the Code, the Directors in their capacity as Directors, per se, will have a directional role and the Executive Directors and Senior Management Personnel will have managerial and executive responsibility.

2. DEFINITIONS:

- “**Act**” shall mean the Companies Act, 2013 and rules made thereunder as amended from time to time.
- “**Board/Directors**” shall mean the Board of Directors of the Company.
- “**Compliance Officer**” shall mean company secretary of the Company appointed by the Board.
- “**Executive Director**” shall mean a whole-time Director as defined under Section 2(94) of the Companies Act, 2013.
- “**Independent Directors**” shall mean an Independent Director as defined in Section 149 of the Companies Act, 2013 read with relevant provision of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- “**POSH Policy**” means the Policy on Sexual Harassment at Workplace framed by the Company as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013.
- “**Code of Corporate Governance and Ethics**” means code adopted by the Board and applicable to all the employees of as defined therein.
- “**Related Party**” shall mean related parties with respect to a person as defined in the Companies Act 2013 and/or the Listing Regulations as amended from time to time, as may be applicable.
- “**Senior Management Personnel**” shall mean senior management as defined under Regulation 16(1)(d) of the Listing Regulations.

3. Applicability

The Code is applicable to the following persons:

- 1) Board of Directors;
- 2) key managerial personnel of our Company and as defined in the Act;
- 3) Senior Management of the company as defined in SEBI (LODR) Regulations, 2015

It is clarified that the Directors and officers should continue to comply with other applicable/ to be applicable policies, rules and procedures of the Company.

All Directors and officers shall affirm compliance with this Code on an annual basis. They shall submit an Annual Compliance Report within 30 days of close of every financial year to the Company Secretary, in the form enclosed as **Annexure**.

This Code of Conduct shall be deemed to include, by reference, the Code of Conduct for Independent Directors under the Companies Act, 2013 (Schedule IV read with section 149(8) thereof). The provisions contained therein, shall apply *mutatis mutandis* to the Board of Directors

4. ETHICAL AND MORAL BEHAVIOUR:

The Code encompasses the following: -

- a) Business shall be conducted ethically and by not committing, condoning or ratifying illegal or immoral acts. Meritocracy should be ensured and encouraged at all times. Board Members and Senior Management Personnel will at all times ensure that they shall not directly or indirectly derive any personal or improper financial or other advantage in order to gain or advance the business. All the anti-bribery / anti-corruption law(s) applicable in the jurisdiction of employment should also be ensured as may be applicable.
- b) Standards of fair dealing and personal integrity will be observed and highest moral and ethical standards would be ensured.
- c) An environment free from gender specific harassment, discrimination and exploitation will be maintained. In case of any such instances, the Company POSH Policy should be adhered to and appropriate actions will be taken thereunder.
- d) Any Director or the Senior Management Personnel of the Company must not directly or indirectly accept or offer gifts, donations, hospitality, and illegal payments from / to any persons dealing with the Company in furtherance of business. The guidelines given in the Code of Corporate Governance and Ethics should be adhered to in this regard by Senior Management Personnel.

5. CONDUCT OF BUSINESS:

Conduct of the business will be consistent with the Core Values, which are as under:

- (a) Challenger
- (b) Aspiration Led
- (c) Integrity
- (d) Result Obsession
- (e) Openness
- (f) Good corporate governance

6. SAFETY, HEALTH AND CLEAN ENVIRONMENT:

In all aspects of the Company's operations, its employees, customers and society; safe, healthy and clean environment shall be given prime importance. Efforts should be made to minimise the adverse impact of business activities on the environment and communities where the operations of the Company are located. Compliance with applicable Environment, Health and Safety regulations would

be ensured as well as all the required initiatives being taken by the Company under the Environment, Social and Governance parameters.

7. CONFLICT OF INTEREST:

(a) Conflict Situations: Any relationship, influence or activity that may impair the ability to make objective and fair decisions is to be avoided. The Company should as far as possible avoid conducting any business transaction with any of the relatives of Directors / Senior Management Personnel. In case of unavoidable circumstances, subject to the requisite approval, the transaction may be conducted at an arm's length basis. In case of, any actual or potential conflicts of interest arise, the Directors must disclose the same to the Chairman for further necessary action as may be deemed fit. Similarly, Senior Management Personnel may approach the Whole-time Director or Managing Director in this regard.

(b) Disclosure of Interest: Any financial or other material interest by oneself or through relatives / organisation in any contract with the Company (including vendors and customers) shall be disclosed at first opportunity. At the time of appointment as well as in case of change(s), Director should disclose their interest in any other entity in any capacity in the manner prescribed under the Act. Senior Management Personnel are also expected to inform about their interest, if any, in any other entity which the Company would be doing the business with. In such case(s), the Managing Director or Whole-time Director would review and take a final decision whether or not such transactions should be undertaken.

(c) Competing with the Company: Acceptance of any position of influence or of pecuniary interest in any other organisation, whose business is in direct competition with that of the Company or the business which the Company is engaged into or considering, shall be avoided.

(d) Use of Company's Resources/Assets/ Funds / Property /: Assets of the Company including physical assets, funds etc., are to be used responsibly solely for the benefit of the Company. Opportunities discovered through use of corporate property or position shall not be exploited for own personal gain, unless the opportunity is disclosed fully in writing to the Company.

7. INSIDER TRADING:

Directors and Senior Management Personnel shall comply with the Company's Code of Fair Disclosure, Internal Procedures and Conduct for regulating, monitoring and reporting of Trading by Insiders ("**Insider Trading Code**"). Any contravention of the Code will attract appropriate action under the Insider Trading Code.

8. CONFIDENTIALITY OF INFORMATION:

Any information (electronic or otherwise) relating to the Company, its intellectual property, including technology and business processes, its business and customers/vendors which is confidential shall not be divulged and used for official business purposes only. Adequate measures should be taken by the Directors and Senior Management Personnel to safeguard the confidential information of the Company during their association with the Company and thereafter. Such information should not be used for direct or indirect personal gain.

9 VIGIL MECHANISM:

The Directors and Senior Management Personnel shall report concerns about unethical behaviour, actual or suspected instances of fraud, misconduct or irregularity or failure of internal control system,

likely to impact the business interest of the Company or any other information that may be perceived to be violating any legal/regulatory requirements as per the Whistle-blower Policy of the Company.

10. DUTIES:

(a) Applicable to all Directors:

The Directors of the Company shall, in terms of Section 166 of the Companies Act, 2013:

- (i) Act in accordance with the Articles of Association of the Company.
- (ii) Act in good faith in order to promote the objects of the Company in the interest of all its stakeholders and for the protection of environment.
- (iii) Exercise his duties with due and reasonable care, skill and judgement and also exercise their independent judgement.
- (iv) 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.
- (v) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
- (vi) Not assign his office and any assignment so made shall be void.

In addition to the above, from the good corporate governance perspective, Directors shall strive to attend all Board Meetings and General Meetings of the Company.

(b) Applicable to Independent Directors:

Additionally, the Independent Directors of the Company shall also ensure compliance with the Code for Independent Directors as specified in Schedule IV of the Act, especially with regard to the duties of Independent Directors laid down therein. Further the Directors and Senior Management of the Company are expected to:

- i. keep themselves well informed about the Company and the external environment in which it operates;
- ii. Comply with all the laws, rules and regulations and reporting the same in the applicable tool / systems established for the purpose

As regards the Senior Management Personnel, the principles described in this Code are general in nature and in addition to the Code of Corporate Governance and Ethics.

11. BREACH OF THE PROVISIONS:

Any breach of provision(s) of this Code, shall be referred to Corporate Governance and Ethics Committee ("CGEC"), and will be formed by the Board after receiving the information of breach for further action. CGEC is empowered to initiate any inquiry proceedings/ investigations and recommend disciplinary actions and / or institution of appropriate legal proceedings. Such recommendation and findings by CGEC shall be placed before the Audit Committee. The Audit Committee may determine to agree with such recommendations or institute further investigation or levy additional penalties / disciplinary actions. Any such action by the Audit Committee shall be final and binding in the case of breach of Code by Senior Management Personnel. However, in the case of breach of Code by any Director, the Audit Committee shall make its recommendation to the Board and the decision of the Board shall be final and binding.

12. CLARIFICATIONS AND WAIVERS:

Any Director having concern with compliance of the Code or intending to seek clarification may raise the same with Chairperson of the Company, whereas, any Senior Management Personnel having any concern may raise the same with Whole-time Director or Managing Director of the Company. No waiver or suspension or modification of any or all requirements of this Code, shall be valid unless approved by the Board and formally recorded with reasons for such action.

13. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE AND AFFIRMATION:

Each Board Member and Senior Management Personnel shall acknowledge receipt of the Code at the time of appointment or being qualified as Senior Management Personnel or any modification(s) thereto, and forward the same to the Compliance Officer through email or verbal confession.

As per the provisions of the listing regulations, directors and the senior management personnel of the company would be required to furnish the certificate to the whole time director and company secretary affirming compliance with the code of conduct on an annual basis in the format attached as Annexure.

14. AMENDMENTS TO THE CODE:

The Board of Directors may amend this Code, as and when deemed fit. Any or all provisions of this Code would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure
Annual affirmation to the Code of Conduct

To
The Managing Director and Company Secretary
Ardee Engineering Limited

I ----- do hereby affirm compliance with the Code of Conduct and certify that to the best of my knowledge and belief, I have not violated the provisions as laid down in the Company's Code of Conduct for Board Members and Senior Management, during the financial year ----.

Signature: _____

Name: _____

Designation: _____

Date: _____