

## **CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

### **I. INTRODUCTION**

This code of conduct (herein after referred to as “Code”) shall be called Code of Conduct for Directors and Senior Management Personnel” of ITI Limited (herein after referred to as “Company”)

The purpose of the Code is to enhance further an ethical and transparent process in managing affairs of the Company.

### **II. DEFINITIONS & INTERPRETATIONS:**

The term “DIRECTORS” shall mean all the members of Board of Directors of the Company, including Government Directors and Non Official Part-time Directors i.e. Independent Directors.

The term “SENIOR MANAGEMENT PERSONNEL” shall mean employees of the Company holding positions one level below the Board and includes Head of the plants, units and departments.

### **III. APPLICABILITY**

The code is applicable to all Directors and Senior Management Personnel.

The directors and Senior Management Personnel should continue to comply with other applicable policies, rules, procedures of the Company.

### **IV. KEY REQUIREMENTS**

The Board members and Senior Management Personnel shall act within the authority conferred upon them and in the best interests of the Company and observe the following code of Conduct.

- act in the best interest of, and fulfill their fiduciary obligations to the Company and its shareholders;
- act honestly, fairly, ethically and with integrity;
- conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;

- act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- use their prudent judgment to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company;
- not exploit for his/her own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the Company declines to pursue such opportunity for its business interest(s);
- avoid conducting business on behalf of the Company except with the prior approval of the Board; with (a) a relative (b) a Private Limited Company in which he or his relative is a Member or a Director (c) a Public Limited Company in which he along with his relative holds more than two per cent of its paid up share capital; and (d) with a firm in which he or his relative is a partner;
- disclose and avoid having any personal and/or financial interest in any business dealings concerning the Company;
- avoid any dealings with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company;
- not hold any positions or jobs or engage in outside businesses or other interests that are prejudicial to the interests of the Company; and
- inform the Board, at the earliest opportunity, any existing or potential conflict of interest situation
- The Directors and Senior Management shall comply with the “ITI code of conduct to Regulate, Monitor and Report Trading by Insiders and for fair disclosure” while dealing with the securities of the Company as applicable from time to time.
- Any information concerning the Company’s business, its customers, suppliers, etc. to which the Directors and Senior Management have access or which is possessed by the Directors and Senior Management, must be considered confidential and should be held in confidence at all times, and should not be disclosed to any person, unless specifically authorized;
- While disclosing information in relation to the Company’s activities to public such as the media, the financial community, employees and shareholders, the Company shall be represented only by specifically authorised directors and employees.

- Directors and Senior Management are responsible for effective control and appropriate use of all Company's resources entrusted to them in the official discharge of their duty.

## **ADDITIONAL REQUIREMENT FOR INDEPENDENT DIRECTORS**

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) acting within his 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.

#### **AMENDMENTS TO THE CODE**

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise and all such amendments/ modifications shall take effect from the date stated therein. All Directors and Senior Management shall be duly informed of such amendments and modifications.

#### **PLACEMENT OF THE CODE ON WEBSITE**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Code and any amendments thereto shall be posted on the website of the Company.

#### **ENFORCEMENT OF CODE OF CONDUCT**

All Directors and/or Senior Management shall be accountable for fully complying with this Code.

#### **AFFIRMATION OF COMPLIANCE OF THE CODE**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, all Board members and Senior Management Personnel shall within 30 days of the close of the financial year affirm compliance with the code as mentioned below and same shall be forwarded to the Company Secretary.

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**AFFIRMATION**

I, ....., having read and understood the Code of Conduct for Board Members and Senior Management Personnel, hereby solemnly affirm that I have complied with and have not violated any of the provisions of the Code during the year ended 31<sup>st</sup> March .....

**Signature** :

**Name** :

**Designation** :

**Place** :

**Date** :

(to be submitted by Board Members and Senior Management Personnel of the Company on Annual Basis by 30<sup>th</sup> April of every year)