

**MAESTROS ELECTRONICS &
TELECOMMUNICATIONS SYSTEMS LIMITED**

CODE OF CONDUCT FOR DIRECTORS
&
SENIOR MANAGEMENT PERSONNEL

BACKGROUND

Good corporate governance practice calls for implementation and maintenance of sound standards of business conduct of affairs of a company. Thus, fair and transparent manner of carrying out business by adopting highest standards of professionalism, honesty, integrity and ethical behavior together with complete compliance of laws are the prime necessities.

Towards achieving such sound corporate governance practices, a Code of Conduct (“Code”), “Code”) which is in line with Companies Act 2013. Moreover, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has also laid down provisions in this regard which is also inconsonance with the new Companies Act. Furthermore, the Code shall suitably incorporate the duties of Independent Directors as laid down in the Companies Act, 2013.

The Code is to be applicable to all the members of the Board of Directors and its Committee/s and the Senior Management of the Company.

“**Senior Management**” shall have to be clearly defined which shall as per Listing agreement & SEBI Regulations mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the executive directors, including all functional heads.

Nomination and Remuneration Committee of the Board shall decide the criteria of Senior Management based on applicable provisions and recommend to the Board for approval.

The actual identification of Senior Management, thereafter, will follow the same process.

The Board of directors and Senior Management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

CODE APPLICABLE TO ALL DIRECTORS AND SENIOR MANAGEMENT

Diligence: The Directors and the Senior Management {in short, “they”} are to exercise due diligence in attending to their respective duties and obligations in the best interest of the Company.

Conflicts of Interest: They are to be scrupulous in avoiding ‘conflicts of interest’ with the Company. The guiding norm is that any activity or situation involving conflict or potential conflict of interest must be disclosed to the Audit Committee and the Board for appropriate action.

Transparency: They are to ensure that their action/s in the conduct of business is/are transparent, except where the confidentiality of the business requires otherwise. Such transparency shall be brought through appropriate policies, procedures, and maintaining supporting and proper records.

Honest and Ethical standards: They are to take action/s in accordance with the accepted standards of personal and professional integrity, honesty, probity, ethics, in good faith and in the best interest of the Company.

Business Integrity: They are to ensure that the Company carries out its business as per accepted practices of business integrity, ethical standards, fair play and conduct, honestly, legitimately and as a fair competitor.

Work place: They are to ensure that there is gender friendly work place, equal opportunities are given to men and women, and there exists good employment practices.

Quality of products/services: They are to endeavor that the products / services of the Company meet the accepted standards of quality and also the specifications of the legal authorities/ laws so that customer satisfaction is ensured. Moreover costs are kept reasonable.

Protection and proper use of the Company's assets: They are to ensure to protect Company's assets and property and the same should be used only for legitimate business purposes.

Confidentiality: They are to ensure that they and/or the concerned employees do not disclose any confidential information gained in the course of their employment / holding the position in the Company, for personal profits or future advantage of any other person/s.

Relationship with customers and suppliers: They are to endeavor that their dealings with the customers are given due importance, value is created and relationship of trust is built. In dealing with suppliers, it should be the endeavor that supplies are based on need, quality, service, price, and appropriate terms and conditions.

Shareholders/Fixed Depositors: They are to ensure that the rights of shareholders and fixed depositors are met as per law and good corporate practices, and all efforts are made to provide best services to them.

Securities of the Company:

They are to ensure not to enter into forward dealing/ insider trading in respect of the securities of the Company as prohibited under applicable law/s.

Information Technology:

They are to ensure to use the information technology resources of the Company and social media responsibly without detriment to the interest of the Company.

Community Activities: They are to endeavor that the Company be a trusted corporate citizen and, as an integral part of the Society, fulfils its responsibilities and duties to the societies and communities in which it operates.

Compliance with laws, rules, and regulations: The Directors and the Senior Management shall ensure compliance with all the applicable laws, rules, regulations etc. as amended from time to time.

STATUTORY DUTIES OF INDEPENDENT DIRECTORS OF THE COMPANY

He / she shall:-

- 1) Act in accordance with the articles of association of the Company.
- 2) 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 Company, its employees, the shareholders, the community and for the protection of environment.
- 3) Exercise his/her duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- 4) not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his/her relatives, partners, or associates and if found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain, to the Company.
- 5) Not assign his/her office and any assignment so made shall be void.
- 6) act objectively and constructively while exercising his/her duties;
- 7) Exercise his/her responsibilities in a bona fide manner in the interest of the Company;
- 8) devote sufficient time and attention to his/her professional obligations for informed and balanced decision making;
- 9) not allow any extraneous considerations that will vitiate his/her 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;
- 10) refrain from any action that would lead to loss of his/her independence;
- 11) where circumstances arise which make him/her lose independence, he/she must immediately inform the Board accordingly;
- 12) assist the Company in implementing the best corporate governance practices.
- 13) undertake appropriate induction and regularly update and refresh his/her skills, knowledge and familiarity with the Company;
- 14) 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;
- 15) strive to attend all meetings of the Board of Directors and of the Board committees of which he/she is a member;
- 16) participate constructively and actively in the committees of the Board in which he/she is chairpersons or members;
- 17) strive to attend the general meetings of the Company;

- 18) where he/she has 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;
- 19) keep himself/ herself well informed about the Company and the external environment in which it operates;
- 20) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 21) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure himself/ herself that the same are in the interest of the Company;
- 22) ascertain and ensure that the Company has and continues to have an adequate and functional vigil mechanism and to also ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 23) report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct;
- 24) acting within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- 25) 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.

COMPLIANCE WITH THE CODE OF CONDUCT

The compliance with the Code of Conduct is an obligation. The Directors and the Senior Management are to ensure to comply with the Code and also that it is communicated to and understood and observed by all concerned in the Company.

They shall acknowledge the receipt of Code of Conduct as per the format provided in Annexure 1 and shall affirm compliance with the Code, on an annual basis and shall be submitted by all Directors and senior managers of the Company within 15 days of the close of every financial year as per the format of Annexure 2. The Annual Report of the Company shall contain a declaration to this effect signed by the Managing Director of the Company. The Code shall be posted on the web site of the Company i.e. <https://maestroelectronics.com/>

The Board has to direct all concerned to bring to its attention, or to that of Senior Management, any breach or suspected breach of the Code through the office of the Company Secretary. The Vigil Mechanism/ Whistle Blower Policy of the Company, wherever applicable, may be invoked.

The compliance with the Code of Conduct has to be subject to the review by the Board and complemented by the Audit Committee of the Board. Any modification/s, amendment/s, or review of the Code shall be done by the Board.

CONCLUSION

Although the Statute laying down the Code of Conduct is very significant to usher in good Corporate Governance Practices, the real benefit will start manifesting when implementation is done with right earnestness. Mere “box ticking” implementation should be scrupulously avoided.

Annexure -1

Acknowledgment of receipt of Code of Conduct for Directors and Senior Management

I, _____ do hereby certify that

1. I have received and carefully read the Code of Conduct of **Maestros Electronics & Telecommunications Systems Limited**
2. I fully understand the Company's Code of Conduct.
3. I have complied and will continue to comply with the terms of Code of Conduct and have reported or will report any known violations of the Code according to the procedures outlined in the Code.

Signature

Name :

Designation

Date:

Annexure -2

Annual Affirmation of Compliance

(To be submitted by 15th April each year)

Ido hereby affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for Directors and Senior Management of Maestros Electronics & Telecommunications Systems Limited during the financial year ending 31st March 20...

Name:

Designation:

Signature:

Date:

Place:

Please sign and return this form to the Secretarial & Legal Department