

# Code of Conduct Independent Directors

## I. Preamble

1. This Code of Conduct shall be called the Code of Conduct for the Independent Directors (**“Code for Independent Directors”**) of Ceinsys Tech Limited (**“the Company”**).
2. The Code for Independent Directors has been framed in compliance with the regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 (**“Listing Regulations”**) which stipulates that the Board of every listed company shall lay down a code of conduct for all Board members and senior management personnel of the Company.
3. The Code for Independent Directors shall be posted on the website of the Company as stipulated in regulation 46(2) of the Listing Regulations.
4. The Code for Independent Directors may be reviewed by the Board from time to time to keep in pace with the regulatory environment and any amendments to this Code for Independent Directors shall be approved by the Board.

## II. Definitions

**“Board”** or **“Board of Directors”** shall mean the board of directors of the Company.

**“Code for Independent Directors”** shall mean this Code of Conduct for the Independent Directors.

**“Company”** shall mean Ceinsys Tech Limited.

**“Compliance Officer”** shall mean the Company Secretary of the Company.

**“Confidential Information”** means (i) any information concerning the organization, business, suppliers, employees, intellectual property, technology, trade secrets, know-how, finance, or transactions of the Company, which are marked and identified by the Company as confidential including information which is not available in the public domain and to which the Director has access or they possess such information because of his position in the Company. This information may be in printed form, computer based, or stored on microfilm or some other format.

**“Independent Director”** shall mean an Independent Director of the Company as per the provisions of the Companies Act, 2013 and Listing Regulations (as revised from time to time).

“**Listing Regulations**” shall mean the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

### **III. Applicability**

The Code for Independent Directors applies to the Independent Directors of the Company.

### **IV. Objective**

The Code for Independent Directors has been formulated and approved by the Board and is to be complied with by the Independent Directors in letter and spirit for the governance of good corporate practices. The Code for Independent Directors is required to be observed to maintain high standards of governance, to induce and recognise the virtues of honesty and accountability and to serve as a guideline for addressing situations involving ethical issues in all spheres of activities of the Independent Directors in the Company. 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.

The Company Secretary of the Company is appointed as the Compliance Officer under the Code for Independent Directors and will be available to answer any questions, provide clarification and assist in ensuring compliance with the Code for Independent Directors.

### **V. Professional Conduct**

An Independent Director shall follow the following principles in fulfilling their fiduciary responsibilities:

- A. uphold ethical standards of integrity and probity;
- B. act objectively and constructively while exercising his duties;
- C. exercise his responsibilities in a bona fide manner in the interest of the company;
- D. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- E. 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;

- F. 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; refrain from any action that would lead to loss of his independence;
- G. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly; and
- H. Assist the Company in implementing the best corporate governance practices.

## **VI. Roles and Functions**

The Independent Directors shall:

- A. 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;
- B. bring an objective view in the evaluation of the performance of Board and management of the Company;
- C. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- D. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management of the Company are robust and defensible;
- E. Safeguard the interests of all stakeholders, particularly the minority shareholders of the Company;
- F. balance the conflicting interest of the stakeholders of the Company;
- G. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management of the Company and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management of the Company; and
- H. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

## **VII. Duties**

The Independent Directors shall:

- A. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- B. 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;
- C. strive to attend all meetings of the Board of Directors and of the committees of the Board which he is a member;
- D. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- E. strive to attend the general meetings of the Company;
- F. 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;
- G. keep themselves well informed about the Company and the external environment in which it operates;
- H. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- I. 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;
- J. 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;
- K. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- L. acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- M. not disclose Confidential Information, unless such disclosure is expressly approved by the Board or required by law; and

- N. subject to the provisions of the Companies Act, 2013, shall not take up outside assignments / directorships in other entities carrying out business similar to that of the Company.
- O. At the first meeting of the board in which he participates as a director and thereafter at the first meeting of the board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as defined in Listing Regulations and Companies Act, 2013 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.

#### **VIII. Separate meetings**

- A. The Independent Directors of the Company shall hold at least two meeting in a year, without the attendance of executive and other non-executive directors and members of management of the Company;
- B. All the Independent Directors of the Company shall strive to be present at such meeting;
- C. The meeting shall:
  - i. review the performance of executive and other nonexecutive directors and the Board as a whole;
  - ii. review the performance of the Chairperson of the Company, taking into account the views of the other directors of the Company;
  - iii. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **IX. Gifts (Gifts are not always physical objects—they might also be services, favors or other items of value.)**

The Independent Directors shall not accept such gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small

promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panellist /speaker and other customary gifts are allowed.

Gifts on behalf of the Company -Some business situations call for giving gifts. Nominal gifts of commemorative nature, for special events/ achievements or in the course of social relations and normal business courtesies shall be legal, reasonable and may be accepted / given. Independent Directors shall not pay bribes. It is understood that gift giving practices vary among cultures and countries. Independent Directors shall not provide any gift if law or the policy of the recipient's organization prohibits it. For example, the associates of many government entities around the world are prohibited from accepting gifts.

## **X. Confidentiality**

The Independent Directors shall maintain the Confidential Information entrusted to them by the Company including any sensitive personal data or information which the Independent Directors may have access or may possess during the course of their association with the Company.

The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**SPDI Rules**”) further state that personal information of a person consisting of the following is “sensitive personal data or information” (“**SPDI**”):

- i. password;
- ii. financial information such as bank account or credit card or debit card or other payment instrument details;
- iii. physical, physiological and mental health condition;
- iv. sexual orientation;
- v. medical records and history;
- vi. biometric information;
- vii. any detail relating to the above clauses as provided to the Company for providing service; and
- viii. any of the information received under above clauses by the Company for processing, stored or processed under lawful contract or otherwise.

Further, the Company's Confidential Information shall not be inappropriately disclosed or used for the personal gain or advantage of the Independent Directors.

The Independent Directors should use Confidential Information received in the course of their business dealings only for the purpose it is intended or normally used and never for personal gain or for a third party's gain. They should also not release Confidential Information to others without proper authorisation.

In handling the Company's Confidential Information or information owned by a third party and/ or licensed by the Company, the Independent Directors should comply with copyright laws, computer software licensing agreements, and relevant Company policy.

#### **XI. Insider Trading**

The Independent Directors shall not derive benefit or assist others to derive benefit by giving investment advice based on unpublished price sensitive as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time about the Company. The Independent Directors shall comply with the insider trading policy of the Company and the Listing Regulations.

#### **XII. Equity**

All attempts should be made to maintain equity and fair justice while dealing on behalf of the Company. The Independent Directors shall be committed to promote a work environment free from unlawful discrimination, harassment and intimidations of any nature. The Independent Directors shall continue to guide the other members of the Board in this regard from time to time. Any kind of harassment and discrimination based on gender, religion, age, sex, national origin and other such characteristics is strictly prohibited.

#### **XIII. Company Property**

Independent Directors have a fiduciary relationship with the Company and they shall act like a trustee of the Company's property / assets as well as the property / assets of other organisations that have been entrusted to the Company. The use of Company's assets for illegal or nonethical business purposes shall be strictly prohibited.

#### **XIV. Corporate Disclosure Policy**

The Company is committed to full, fair, accurate, timely and understandable disclosure in reports and documents it files with or submits to the regulatory authorities and in other public communications. The Independent Directors shall maintain the confidentiality of information relating to the affairs of the Company until and unless authorized or legally required to disclose such information.

## **XV. Intellectual Property**

Intellectual Property (**IP**) includes trademarks, patents, copyrights, designs, domain names, know how, technology, brands and all confidential and sensitive information of the Company including operations, budgets and business plans, major management changes, forthcoming product launches or tie ups, acquisition or divestiture plans, internal memos, financial , strategy, marketing and sales information, business plans, commercial contracts, personnel and customer information, legal opinions and advice, company manuals, technical information, email address lists, directories, agreements and such.

The IP of the Company must be protected as a vital business asset. It is important to ensure that to the extent permitted by law, the rights to all IP created using the Company's time and expense including the IP conceived or developed or reduced to practice are the property of the Company and the Company shall have the right to exploit any and all of the IP. Further, the Independent Directors shall also respect the IP of third parties and business associates and shall not knowingly infringe the same.

## **XVI. Compliance with Applicable laws and Company's policies**

It is the duty and obligation of every Independent Director to comply with this Code for Independent Directors and with all applicable laws, rules, regulations and guidelines issued by the appropriate government from time to time. Further they shall also comply with the various policies, guidelines and codes formulated by the Company in compliance with the Listing Regulations and other applicable provisions, including the Company's policy on insider trading and procedures for fair disclosure. Compliance with applicable laws and Company policies at all times is non-negotiable with zero tolerance to non-compliance. Any noncompliance may, in addition to criminal and civil liability, also result in appropriate disciplinary measures.

## **XVII. Declaration for Compliance with the Code for Independent Directors**

The Independent Directors shall affirm the compliance with the Code for Independent Directors on an annual basis and shall sign a confirmation to that effect as per the format set out in **Annexure I**. The annual report of the Company shall carry a declaration signed by the Managing Director of the Company stating that the Independent Directors have affirmed compliance with the Code for Independent Directors.

## **XVIII. Reporting**

While every Independent Director has to himself ensure compliance with this Code for Independent Directors, any instance of violation or possible violation of this Code for Independent Directors by the concerned Independent Director or by any other director shall be immediately reported to the Board through the Compliance Officer.

In case of any doubt as to the best course of action, the concerned Independent Director should promptly contact the Compliance Officer.

### **Registered Office -Nagpur**

Ceinsys Tech Ltd. 10/5, IT Park, Opp . VNIT, Nagpur-440022.  
Maharashtra, India  
EPABX: +91 712 2249033/358/930  
Fax: +91 712 2249605

### **Corporate Office- Mumbai**

2103A, Marathon Futurex Mafatlal Mills Compound  
N.M. Joshi Marg Lower Parel East, Mumbai 400013  
Maharashtra, India  
EPBX: +91 22 49472200